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Bloc Officials Speak on Current CEMA Tasks

AU1606190488 Budapest NEPSZABADSAG in Hungarian 4 Jun 88 p 5

[Correspondents' report on round-table discussion with Jozef Lenart, member of the Presidium and secretary of the CPCZ Central Committee; Marian Wozniak, member of the PZPR Politburo and secretary of the Central Committee; Guenter Mittag, member of the SED Politburo and secretary of the Central Committee; Nikolay Slyunkov, member of the CPSU Politburo and secretary of the Central Committee; and Deputy Premier Jozsef Marjai, Hungary's permanent representative to CEMA: "The Need To Focus on Scientific-Technological Progress—Statements on Topical Tasks Facing the CEMA Member Countries"—on 1 and 2 June; place not given]

[Text] On 1 and 2 June, at the conference of the CEMA countries' communist and workers party central committee secretaries in charge of economic issues, our correspondents' asked the heads of the delegations and Hungary's permanent representative in CEMA their views on the current situation on what types of problems there are, and about possible solutions for renewing the CEMA mechanism.

Jozsef Lenart: A Consumer Market Instead of a Producers Market [subhead]

"There is no doubt that the acceleration of scientific and technical progress and the soonest possible application of these results are conditions for faster development of CEMA countries. At the conference, we reviewed and evaluated the joint CEMA documents connected with the implementation of this goal—the collective long-term concepts of the CEMA member countries for a period of 10-15 years—and we concluded that in addition to its many virtues, the program also contains a lot of generalities and repetitions. We have to adjust the CEMA mechanism and institutions to the requirements of our age, that is, we have to use economic methods, the lack of which have so far, hindered the qualitative development of our cooperation. I mean here primarily prices and the financial mechanism, direct cooperation between enterprises, and the need to internationalize our economies in the real sense of the word, by establishing a legally regulated and efficient system of financial interest and by properly decentralizing the sphere of decisionmaking authority. I consider this to be important in production, trade, and last but not least, in scientific and technological contacts, and in areas outside the economy too.

"The gradual establishment of convertibility in our transactions is one of the decisive elements of progress. This is not an easy task but all our experiences indicate that cooperation based on barter elements and on a concretely determined exchange of goods has become a serious obstacle in the development of CEMA. The sooner it is possible to have multilateral settling of accounts and free convertibility, the more efficient CEMA will become.

"Of course, this is not only a matter of simple decision. The precondition for free convertibility is to produce 'convertible' goods which can be sold everywhere. At the same time, we must also create a consumer market to replace the producers market, in other words, supply—in quantity, products structure, and product quality—should exceed the demand. We must create a competition situation and bring real incentives and compelling forces into the economy.

"Of course, we do not completely understand every issue. We should get rid of certain ideological constraints. Debates are under way in the CSSR too. Not everyone can accept the fact that a planned economy and free market can exist and function in a state of interdependence and dialectic unity. Many people say that either we have a planned economy or a free market, because the two exclude each other.

"I think the opposite: The two can function only closely related to each other; in other words, a plan is good only if it takes into account the laws of the market, and the market will have a favorable effect on the economy only if it is a regulated market in which we evaluate the processes in advance. Today, there is no longer a "pure" market anywhere in the world. The capitalist countries, and primarily their enterprises, prepare today very thorough forecasts and plans. We should learn this from them. We do not need their curse of the arms race or exploitation, but it is worth learning from them everything that is good and useful.

"Of course, in order for the joint CEMA mechanism, built on economic and financial means to function well, it is also necessary to bring the member countries' domestic economic management closer to each other. It is expedient to establish direct contacts by strengthening the enterprises' interest and responsibility and by decentralizing the decisionmaking process. If decisions are made by the best informed people and there is direct interest in good decisions, socialist public property and the proprietory feeling will be developed more efficiently.

"In the CSSR, we are now engaged in introducing a new system of economic management. In view of the fact that we import most of our imports from CEMA countries, and we also sell most of our exports on the CEMA markets, for us it is vital to increase the efficiency of CEMA. I could say that we were lagging behind with the task of modernizing the CEMA mechanism even yesterday.

Marian Wozniak: There Is Need for Radical Measures [subhead]

"It is impossible to understand the economic problems facing each member country and CEMA as a whole if we do not clearly understand that efforts aimed at autarky and a certain process of isolation have characterized the socialist economies for a very long time. Although it is true that and especially so recently, the developed Western industrial world played a considerable role in this when it set up different embargo lists to block the transfer of developed technology, we should not forget the fact that we have also contributed to the technological gap prevailing between us. Let me illustrate this with an example from home: Under the spell of easy coal mining procedures, we focused on developing the energy and basic material sectors of the economy, and gradually lagged behind in developing the electronics, biotechnology, and other modern sectors of the economy. Therefore, we must be aware of—and must shape our policy and economic policy accordingly—the fact that the conditions of technological progress must be established within CEMA, but we also need cooperation with the developed Western world. It is a welcome development that, while we were holding this conference, the world was following the Gorbachev-Reagan summit with attention, and that the long-term contacts between East and West seem to stabilize. For us here in Europe, it is also very important that CEMA and the EEC be able to mutually agree on their relations. The EEC is well ahead of us in economic integration, and thus, the challenge is extremely serious, and our countries must take radical steps to renew both their economic and commercial activities.

As for his evaluation of the trade mechanism between our countries, Marian Wozniak said the following: "As we know ourselves, I often feel that we continue to live according to 19th century habits.

"Particularly the Soviet, Hungarian, and Polish economists are claiming more and more frequently that we must create a real CEMA market in which a really convertible transferrable ruble will become indispensable. We should establish an exchange rate of the transferrable ruble to the national currencies. Of course, this should function as a consistently changing and flexible exchange rate that reflects real life. However, we must also be aware of the fact that this is not only, or not primarily, a matter of decision. The economic conditions for this should be gradually established. In order to function as a market economy, we must constantly strengthen price and money relations because this is the only way of making sure that our economies are simultaneously characterized by both competition and cooperation, and that each of us does what he can do best and has the best conditions and traditions, and can make most profit with minimum investment. Therefore, on the one hand a certain amount of competition among the CEMA member countries is indispensable; on the other hand, however, mutual cooperation between our economies is also indispensable in the area of development, the transfer of technologies, and the purchase of international licenses.

"We are also facing a complex and difficult stage in development. We are currently working on a draft bill that can be justifiably regarded as a new economic constitution. Its essence is that we open the way for economic ventures. We will not hinder the entrepreneurs with any bureaucratic obstacles. Usefulness is the standard, of course, within the framework of the law. We are well aware of the fact that all these will give rise to a lot of related problems, both social and ideological. Among other things, we will have to find the correct method in which, on the one hand, the party refrains from interfering in economic management, on the other hand, by shaping the political framework, the party creates the opportunities for a flexible and efficient economic activity.

"In our countries, we are witnessing considerable economic and social transformation, and this will, in a way, have a decisive effect on the functioning of CEMA as a whole. The conference of the Central Committee secretaries is important from this point of view too. Our responsibility and activity have increased in dimension and we feel that history is urging us.

Guenter Mittag: Planned Coordination [subhead]

"We must set the highest international standards for technologies and products in accordance with their present and future level of development. The CEMA countries' complex program of technical and scientific development was a very important step in this direction. Our activity should be consistently based on the goals set out by this program and the development pace should be increased in decisive areas. This refers particularly to the introduction and efficient application of high technology. In this respect, we in the GDR set the goal of reaching a new quality of economic development. This means that from now on we will develop, for example, the engineering industry in conjunction with the development of microelectronics, and not in the classic way we have done so far.

"We must evaluate our achievement up to now realistically and in a differentiated way in order to hold our ground in the race against time. For this, we have to increase the level of instruction, for example in computer sciences, to focus our investments on the efficient application of high technology, and to better handle and accelerate the circle of scientific research and production marketing and efficiency.

"Highly independent combines have stood the test of time and proved to be efficient in the GDR. These combines are also the pillars of direct contacts with other CEMA countries' enterprises. We think these contacts have rich prospects for increasing the pace of development and advancement.

"In order to advance scientifically and technologically, we should not forget that individual performance is decisive precisely in this context. The NATO countries' efforts to technologically isolate the socialist countries is well-known, and let me mention here the COCOM list.

As for the kind of advancement necessary in the CEMA financial and commercial mechanism, Guenter Mittag said the following:

"The conditions so far have led to strong development. The proportion of foreign trade differs, of course, in each country. This depends primarily on what the individual partner countries decide on, according to their situation and circumstances. Among other things, the establishment of industrial sectors, the extent of financial incentives provided for exports, and the foreign trade rights of production enterprises are all part of these decisions.

"In the GDR, in order to realistically determine the investments of the people's economy, we carried out an industrial price reform, reevaluated our fixed assets, and the results of the enterprises depend on the exports and imports; and we carried out a banking reform. We continue this activity by constantly examining the new requirements.

"Many enterprises in the world would welcome a situation in which their trade relations are partially based on firm foundations of long-term agreements. As I see it, the task facing the socialist countries is to connect the possibilities of planned coordination of economic relations with the concrete implementation of agreements more efficiently than up to now, and on the basis of agreements between enterprises.

Speaking about the transferrable ruble, Guenter Mittag said that this currency stood the test as a collective currency and a stable means of settling of accounts on mutual exchanges of goods. "As is well-known, there are concepts for further expanding its possibilities by creating certain conditions.

"In due time, the GDR embarked on establishing mixed enterprises with other socialist countries, and has gained valuable experience in this respect. One of these experiences indicates that mutual economic profit is a fundamental requirement in establishing joint enterprises. At the same time, we must thoroughly examine and decide on financial and legal issues which repeatedly emerge depending on the concrete circumstances. In view of the responsible tasks in this respect, and concerning our own people's economy and our partners too, we will make use of the opportunity to study the experiences of other socialist countries.

Nikolay Slyunkov: The Present Division of Labor Has Become Obsolete [subhead]

"The current conference of the fraternal parties' central committee secretaries has carried out a constructive debate on the principled issues of cooperation, namely, on how to strengthen our economic relations for the benefit of a joint application of the achievements of technological and scientific progress; how to perfect the international socialist division of labor; and on how to create a new mechanism of cooperation, one that fulfills the requirements of the time.

"As is well-known, the conference of heads of fraternal parties held in Moscow in 1986 decided on the main direction of this activity. Since then, the CEMA member countries have succeeded in advancing in the implementation of the goals stipulated at the above-mentioned working session. But we must also honestly admit that progress in this area is rather slow. The division of labor model has become outdated and no longer fulfills the requirements of the age. There has been no considerable progress in cooperation or specialization either, and this is particularly true of sectors that make extensive use of scientific achievements.

"The question is what hinders the elimination of these difficulties? It seems that many people stick to the accustomed forms of cooperation. However, today new and perhaps unusual solutions are needed for the tasks facing the fraternal countries: The achievements of technological and scientific progress should be applied extensively, the people's economies should be intensified, the product assortment should be reorganized, and structural change should include the sphere of foreign economic relations.

"Take, for example, the CEMA countries' complex program of technological and scientific development up to the year 2000. This program was aimed at inducing CEMA to make use of the advanced technological and scientific achievements. However, this program's subject matter turned out to be too detailed. The guiding mechanism of the implementation of this complex program needs perfecting. This program should be more expedient, in other words, important projects with good prospects should be treated with particular care. This will assist the member countries in concentrating their efforts on key areas of technological and scientific progress and in carrying out their activity in full cycle, that is, from research and development to production and marketing of finished products. Of course, in order to achieve this, these projects should have priority both financially and in other respects in the plans of individual countries so that these projects receive 'most favored treatment' in the mechanism of CEMA cooperation.

"As for the collective concept of international socialist division of labor, in our view, we must concentrate our efforts on working out an efficient strategy for implementation. This is based on the common opinion that now we must use the new model of cooperation. There was an interesting debate on this issue at the conference.

"It is possible to achieve these goals only if we work out a new economic mechanism of cooperation. This should contribute to making CEMA members interested in implementing the joint programs. This interest should refer primarily to direct producers—enterprises and associations—because most of the mutual exchange of goods will take place at their level and so will cooperation and production specialization.

"And finally, I think it is very important that the new economic thinking receive greater scope, a concept that is increasingly gaining ground through the emergence of activities aimed at perfecting the economic mechanism in the fraternal countries.

Jozsef Marjai: The Need To Develop the Goods-Money Relations [subhead]

"In order to halt the further deepening of the technological gap between the CEMA member countries and the developed capitalist world, we need, among other things, a much better division of labor than the present one. We should eliminate parallel production capacities because these are not efficient and there are great financial burdens involved in separate technological development. In this connection, I must mention the fact that greater security in deliveries and longer-term agreements are indispensable to a well-functioning division of labor. Of course, this requires a different system of accounting and different legal and economic methods.

"At the time when we worked out together the complex program for 1971, we came up with modern proposals concerning the development of goods and money relations. Unfortunately, we still have not implemented this complex program today. The main reason for this is that no essential change has taken place in the management of the countries' national economies for a long time. Obviously, today the internal economic mechanism of many member countries would already make it possible to modernize the multifaceted cooperation, [illegible] formulated in the previous CEMA documents. For example, the Hungarian financial and trade management and methods would make it possible to join a more up-to-date integration than the present one. But the fact is that, concerning the functioning of the economy, the differences among the CEMA countries are much more significant than those among the EEC countries. Not every CEMA country is ready to work out a more flexible mechanism of cooperation which better fulfills the current requirements. One of the solutions that emerges is that, for the time, some elements of such a mechanism should be introduced only into countries that are interested in applying them. We have confidence that the restructuring processes currently under way in the Soviet Union will also give an impetus for advancement in this respect.

Speaking about the trade relations among the CEMA member countries, Jozsef Marjai pointed out that the main obstacle hindering the introduction of multilateral accounting lies in the fact that most of the products manufactured by the CEMA member countries are not competitive enough, that is, they are not convertible in various currencies. However, an increase in direct cooperation between enterprises has begun for the time being on a bilateral basis. Broader implementation of such a cooperation requires an increased implementation of goods-money relations and new bases for the price, currency, and credit mechanism in individual countries. Although it is a currency for multilateral accounting, in its present form the transferrable ruble is suitable for carrying out bilateral trade.

As for the issues of convertibility, Jozsef Marjai stressed the following: "If the CEMA countries had to balance at least part of their trade in convertable currency, then every country would strive to increase exports and this would lead to the production of marketable and high-quality goods. Partial convertibility would replace the interest in imports with an interest in exports."

In conclusion, Jozsef Marjai pointed out that the planned reorganization of the entire CEMA cooperation and of its mechanism aims at making us competitive and much more active participants in world trade.

International Labor Conference Held in Geneva

Poland's OPZZ Chief Speaks

LD1406234488 Warsaw PAP in English 2039 GMT 14 Jun 88

[By PAP correspondent Edward Dylawerski]

[Text] Geneva, June 13—Chairman of the All-Poland Alliance of Trade Unions (OPZZ) Alfred Miodowicz took the floor at debates the 75th session of the International Labour Conference here on June 14.

"In Poland we have fought a victorious struggle in defence of trade unions' rights. The first draft laws on special powers for the government planned considerable limitations in rights of trade unions. As a result of the firm stand of our member organizations, almost all our postulates were reflected by substantial modifications of the finally adopted bill. We managed to counteract the introduction of the ban on the organization of strikes, protest actions and of additional sanctions for the participation in strikes," Miodowicz said.

"However, we are of the opinion that a strike should be a final weapon to be used after the legal procedure of solving collective disputes has failed. We, unionists, have been trying to observe this principle in particular in Poland's current economic situation. However, in our view the illegal organization of strikes and the use of workers' protests for manipulation in the interest of various politicos is harmful, causing deep divisions among work crews and weakening the efficiency of our trade union activities in the struggle for realization of economic postulates. Some strikes which recently took place in Poland provided us with many proofs of this. On the other hand, we think that a strike is the manifestation of workers' final protest and should be solved by means of negotiations and mutual concessions without the use of force" Miodowicz continued.

Miodowicz said that the reborn Polish trade union movement is taking advantage of a number of forms to defend the interests of the working people, including the right to lodge extraordinary appeals with the supreme court against every valid court sentence from the field of labour law and social insurance. Such authentic activities based on the existing legal order and aimed at the defence of workers' interests strengthen our position among crews and prestige in circles of state and economic administration.

Polish trade unions, which we are representing at the session, function at over 27 thousand enterprises and affiliate 63.2 per cent of all those employed in Poland, stressed the speaker.

The composition of the delegation for this session reflects the current structure of the reborn trade union movement, of which the present organizational model was shaped voluntarily in result of a grass-root process and is one of the many possible models of union pluralism. We consider the best possible, independent and autonomous representation of crews' interests by their trade organizations as the most important issue. The existing legislation creates ground for such activities. A totally different problem is the existence of pluralistic organizational solutions in supra-factory structures. That is why we are representing here our present Polish model of union pluralism, which demands further development.

The OPZZ chairman stressed that attempts to belittle the role of trade unions were generally accompanied by propaganda campaign revealing their alleged negative influence on various fields of life in a concrete country. We also deal with such a situation in Poland, said Miodowicz. Some of the managers try to make out of us opponents of the currently implemented economic reform each time we clash with the government, especially when the price-income policy is concerned. This is untrue. From the start, our trade unions supported the process of reforming the economy. We see a special need for the increase of the supply of goods, the necessity for the strengthening of the currency and struggle against inflation and quick achievement of economic equilibrium and the improvement of management efficiency. However, we speak against partial decisions which in effect have a negative influence on the standard of living of working people.

The adopted idea to balance the market leads towards price increases, which arouses social dissatisfaction. This was confirmed, among others, by recent social conflicts in Poland. For us, they were a signal for the acceleration of work on the establishment of new branch and factory level collective contracts. According to us, this is the best way to eliminate causes of dissatisfaction and sources of conflicts.

In conclusion, Alfred Miodowicz expressed his support for the hitherto undertaken activities of the ILO and for the intentions included in the plan for the years 1990-1995, stressing the Polish trade union delegation's readiness to actively join the most efficient solving of problems tackled during the current Internationl Labour Conference session.

CSSR's Boda on Human Rights

LD1706215388 Prague CTK in English 1908 GMT 17 Jun 88

[Text] Geneva, June 17 (CTK correspondent)—The realization of great humanistic projects is difficult and long, Czechoslovak Minister of Labour and Social Affairs Miloslav Boda stressed in the general debate on the human rights issue at the 75th International Labour Conference here today.

Human rights are being violated in many parts of the world, the Czechoslovak representative stressed, and supported in this connection a draft declaration and action program of the International Labour Organization for the support of the struggle against apartheid in South Africa, and a draft resolution on the violation of human rights on the Arab territories occupied by Israel.

It is not sufficient to fix the human rights firmly in the legislation. Imbalances in the economic, and especially in the ownership relations and social position, logically result in an imbalance in possibilities of exercising human rights.

The right to work, which is a prerequisite for the application of other individual rights, plays the decisive role in the human rights system, he said, and expressed regret over the fact that the provisions of the ILO convention on the policy of employment, considered an instrument for the application of the right to work in practice, are being reviewed very benevolently and the states which harm this convention are not criticized in the framework of the ILO control activities.

GDR's Tisch Speaks at Baltic Labor Conference

AU2106081688 East Berlin NEUES DEUTSCHLAND in German 18-19 Jun 88 p 5

[Hans Jordan report: "North European Trade Unionists for Nuclear-Free Zones; Speeches at the 29th Workers Conference of the Baltic Countries"]

[Excerpt] Helsinki—In his contribution to the discussion at the 29th Workers Conference of the Baltic Countries, which was opened in Kiljava near Helsinki on Friday [17 June], FDGB Chairman Harry Tisch appealed to the 250 delegates to strengthen the international cooperation of trade unions, in order to preserve world peace. Referring to the forthcoming meeting for nuclear-free zones, the speaker underlined: "With this initiative, the GDR has taken up, among other things, Olof Palme's call for further concrete and controllable steps—by all movements allied for nuclear and chemical weapons-free zones—on the path toward general and complete disarmament." It would be a very timely move for the big international trade union associations to participate in the present positive development. [passage omitted]

CEMA Cooperatives Conference Held in Budapest

LD2106185988 Budapest MTI in English 1705 GMT 21 Jun 88

[Text] Budapest, June 21 (MTI)—On Tuesday a two-day conference of the national cooperative associations and council presidents of the member countries of the Council for Mutual Economic Assistance opened in Budapest with delegations from Bulgaria, Czechoslovakia, Poland, the German Democratic Republic, Romania, the Soviet Union, Vietnam and Hungary. The People's Democratic Republic of Yemen and Yugoslavia are represented by observers.

Participants are to discuss possibilities for the expansion of direct production relations and the current tasks of cooperative education and manager training. They will coordinate their stands for the 29th congress of the International Cooperative Alliance (ICA) to be held in Stockholm from July 7 to 10.

On Tuesday Rezso Nyers, member of the political committee of the Hungarian Socialist Workers' Party, met the cooperative leaders of the CMEA countries.

Further on Balkan Regional Meeting in Sofia

Economic Conferences Planned

AU2206123688 Sofia BTA in English 1150 GMT 22 Jun 88

[Text] Sofia, June 22 (BTA)—The second day of business at the meeting of designated high officials of the ministries of foreign affairs of Albania, Bulgaria, Greece, Romania, Turkey and Yugoslavia was entirely devoted to Item No. 2 on the agenda: the exchange of information on the progress of preparations for the four meetings on various economic aspects envisaged in the Belgrade joint communique.

The delegations discussed the arrangements and their countries' approaches to the meeting of ministers of economic affairs and foreign trade due to take place in Turkey at the beginning of 1989, of the ministers of transport in Yugoslavia this year, on cooperation in industrial production, including the transfer of technology, in Romania in 1989, and on environmental protection of the Balkans in Bulgaria from November 24 through 26 this year.

The diplomats exchanged views on exploring the opportunities for establishing in Athens a research institute for Balkan economic cooperation.

The meeting will be completed tomorrow.

Discussions on 2d Day Described

AU2306082788 Tirana ATA in English 0755 GMT 23 Jun 88

[Text] Tirana, June 23 (ATA)—As the Bulgarian News Agency BTA reports on June 22, on the second day of the proceedings of the meeting of the representatives of the foreign ministries of Albania, Bulgaria, Greece, Yugoslavia, Romania, and Turkey, being held in Sofia, the discussions were focused on the second item of the agenda: exchange of information on the preparations regarding the meetings of the ministers of economy and foreign trade, ministers of transport, the meeting on cooperation in the industrial production and that of protecting the environment, foreseen in the joint communique of the meeting of the foreign ministers of the Balkan countries in Belgrade. The delegations expressed the stands of their countries regarding these meetings.

Views were also exchanged on the possibility of creating in Athens a research institute on economic cooperation among the Balkan countries.

BTA also reports that Petur Mladenov, minister of foreign affairs of Bulgaria, received on June 21 the heads of the delegations attending this meeting.

Mladenov Receives Participants

AU2306184588 Sofia Domestic Service in Bulgarian 1730 GMT 23 Jun 88

[Text] Today Foreign Minister Petur Mladenov gave a reception in Sofia's New Otani Hotel for participants in the meeting of senior representatives of the Balkan foreign ministries. The reception was attended by Comrade Milko Balev, members of the government, and representatives of business [delovi] circles.

Meeting Ends, Protocol Signed

AU2306183588 Sofia BTA in English 1800 GMT 23 Jun 88

["Balkan Diplomats End Meeting, Help on Regional Process"—BTA headline]

[Text] Sofia, June 23 (BTA)—"We managed to specify and coordinate a number of matters and points aimed to make the inter-Balkan cooperation process irreversible," said Mr Ivan Ganev, deputy minister of foreign affairs of Bulgaria, closing the meeting of designated high officials of the Balkan countries' ministries of foreign affairs here today.

In the course of three days, the delegations of Albania, Bulgaria, Greece, Romania, Turkey and Yugoslavia discussed and analysed the ideas contained in the joint communique on the foreign ministers' meeting in Belgrade. The diplomats adopted a protocol which will be brought to the attention of the respective countries' ministers of foreign affairs.

The protocol lays down guidelines for multilateral inter-Balkan cooperation in the 1988-1989 period.

Discussing the idea to hold a meeting of heads of state or government of the Balkan countries, the officials reaffirmed the desire expressed in Belgrade that this matter should be further explored.

In keeping with the agreement in principle reached in Belgrade that meetings of ministers of foreign affairs of the Balkan countries will be held periodically, the participants agreed that the next meeting at the foreign minister level be held in 1990.

It was agreed to hold regular meetings of designated high officials of the ministries of foreign affairs to discuss multilateral cooperation, if possible, at least twice a year. The next such meeting wil be held in Tirana in January 1989.

The participants exchanged information and views on the progress of preparations for the following more important meetings:

—A meeting of the ministers of transport in Yugoslavia in November or December 1988;

—A meeting of ministers of foreign trade or economic relations in Turkey during the first quarter of 1989;

—A meeting on cooperation in industrial production, including the transfer of technology, in Romania in 1989;

—A meeting on environmental protection of the Balkans in Bulgaria in November 1988;

—The participants reached agreement on the formation of a working group to study all aspects of establishing in Athens a research institute for Balkan economic cooperation. The group will meet in September or October 1988 in Athens.

It was agreed to hold a meeting of ministers in charge of power engineering in Albania in 1990.

The diplomats further recommended that:

—Experts of the Balkan countries meet in Bucharest in 1989 to discuss confidence- and security-building measures in the Balkans;

—Attention was given at the meeting to the proposals to turn the Balkans into a nuclear- and chemical-weapon-free zone. In view of the different approaches to these matters, it was understood that further consideration is required;

—A special meeting be held in Bucharest on the extension and promotion of economic and trade cooperation;

—Officials of the Balkan countries' ministries of agriculture meet in Athens to explore the opportunities for cooperation in this field;

—Health care experts meet in Greece to consider the promotion of cooperation in this area;

—Experts in culture, the humanitarian sphere and the mass media meet during the first half of 1989;

—Experts meet in Yugoslavia to discuss cooperation in combatting terrorism and the illicit trade in narcotics and arms. The date of the meeting will be set through diplomatic channels;

—The committees for Balkan understanding and cooperation or other similar organisations meet in Albania during the second half of 1989.

The respective foreign ministry delegations to the meeting in Sofia were headed by: Mr Sokrat Plaka, deputy minister of foreign affairs of Albania; Mr Konstandinos Yeoryiou, secretary general at the Ministry of Foreign Affairs of Greece; Ambassador Ion Margineanu, chief of the Department for Balkan Cooperation of the Ministry of Foreign Affairs of Romania; Mr Nurver Nures, deputy minister of foreign affairs of Turkey; Mr Ilija Djukic, assistant federal secretary for foreign affairs of Yugoslavia; and Mr Ivan Ganev, deputy minister of foreign affairs of Bulgaria, who was elected chairman of the meeting.

The meeting of the designated high officials of the Balkan countries' ministries of foreign affairs was held in the spirit of the Belgrade meeting of the ministers for foreign affairs, the protocol on the Sofia forum says.

Results Evaluated

*AU2406084288 Sofia BTA in English
0734 GMT 24 Jun 88*

["The Balkans: Common Desire for Advance"—BTA headline]

[Text] Sofia, June 24 (BTA Commentator Veselin Toshkov)—The political climate in the Balkans is warming up. This conclusion is based on the results of the meeting of designated representatives of the ministries of foreign affairs, which ended here last night.

The principal result of the forum: It concreticized and coordinated a number of measures aiming at making the process of Balkan cooperation an irreversible one. The three-day work of the delegations of Albania, Greece, Romania, Turkey, Yugoslavia and Bulgaria outlined the concrete directions of the future cooperation between these countries for the next two years. Especially indicative of the common desire of the countries for advance is the protocol that has been adopted at the meeting which specifies the exact period of the forthcoming joint events. An important element in the protocol, which will be presented to the foreign ministers, is the proposal that their next meeting be held in 1990, that is two years after the forum in Belgrade. Indicative of the deepening of the all-Balkan process is the achieved agreement for the holding of the next meeting of designated diplomatic representatives of the Balkan countries in January 1989, in Turkey.

Characteristic of the atmosphere of the Sofia meeting, which has been assessed in the protocol as businesslike and constructive, is the fact that even on those issues on which agreement was not reached because of the certain differences in the positions, the sides expressed common will to continue the talks, the joint efforts for finding of a solution. That refers most of all to the idea for the turning of the Balkans into a nuclear weapon free zone.

After the forum in Belgrade and especially after the present meeting in Sofia it can be said with certainty that a step has been made toward the construction of a mechanism of all-Balkan cooperation. Naturally the road to the achievement of the aims would not be an easy one and none of the participants in the meeting entertains illusions that the problems accumulated with time, the layered prejudices can be wiped out at once. But on the other hand there are grounds for optimism: All the sides expressed desire and good political will for development and deepening of the positive tendencies in the situation in the Balkans. It is also a good sign that led by the sense of responsibility before their own peoples and for the fate of the all-Balkan home, the designated representatives of the Balkan states gave convincing example of constructive approach to the solution of vital issues.

UN Holds Human Rights Seminar in Sofia

*AU2306145288 Sofia BTA in English
1429 GMT 23 Jun 88*

[Excerpt] Sofia, June 23 (BTA)—The participants in the seminar, held here under the auspices of the Office of the United Nations High Commissioner for Refugees and the International Committee of the Red Cross, are discussing theoretical aspects of international humanitarian law.

The attending scholars from the socialist countries, from Scandinavia, Austria, the FRG and Yugoslavia split into sections to discuss the respect of fundamental human rights in armed conflicts, the international protection of refugees and other areas of international humanitarian cooperation.

This is the fifth such meeting organised by the San Remo-based International Institute of Humanitarian Law. The president of the institute, Prof Jovica Patrnogic, stressed the usefulness of scientists, legal scholars and public figures from different countries exchanging views on the observance of international humanitarian rules in armed conflicts, on relief for refugees and on the respect for human rights. [passage omitted]

Rotation To Be Enforced in Posts Open to Graft

AU2206132788 [Editorial Report] Tirana ZERI I POPULLIT in Albanian on 17 June carries on page 1 a 600-word report by Pavllo Gjidede on cadre rotation, under the heading "The Health Ministry Pursues Measures To Enact the Politburo Decision;" and ZERI I POPULLIT on 18 June carries on page 1 an 800-word report by Franc Zhupa and Sadri Rrahmani on cadre rotation in the ministries of foreign trade and finances, under the heading "Working People in the Ministries Respond to the Politburo Decision With a High Sense of Responsibility."

The report on 17 June states that "Communists in the Ministry of Health yesterday discussed with a high sense of responsibility the enactment of the Politburo decision 'On the Tour of Duty of Cadres Dealing Directly With the Vital Requirements of the Working People.' They focused specifically upon this decision's recommendation that those posts exposed to the pressures of unfair interventions and subjectivism should be particularly taken into consideration." According to the report, it was said at the meeting that "those in positions of responsibility at the Medical Board and the 'Mother and Child' department, cadres in the foreign sector, the four inspectors of the foreign relations sector, the director of the pharmaceutical supply sector, and the registrar, who are in charge of highly sensitive departments, find themselves under constant pressure because their work involves meeting the demands of the people. They have made every effort to perform their duties punctiliously. But it was decided that the tenure of these positions should not exceed 5 years."

According to the report on 18 June, the basic party organization in the Ministry of Foreign Trade "decided unanimously that not only the director, but all the working people in the personnel section should be changed every 5 years. They explained this decision by the fact that all these working people are subject to the constant pressure of persons who unfairly attempt every means to obtain employment in the foreign trade network. Even though it emerged in the course of the discussion that no working people in this department had given in to such pressure, it was said that long tenure and the existence of this pressure created opportunities and conditions for subjectivism. Acquiescence to such pressure would inevitably lead to damaging concessions."

"The very nature of the work in the foreign trade network," the report states, "means that this pressure is exerted upon a large number of cadres. Considering the problem from this angle, the basic party organization decided that all working people engaged in the foreign trade of enterprises should be changed every 5 years. Likewise, considering the problem in the foreign trade network as a whole, the party organization in the ministry proposed to the relevant department that the period of tenure of the heads of the vehicle allocation branch and the technical branch and of shippers at the Durres Export Division should not exceed 5 years." The report also states that the party organization recommended that "working people in our trade missions abroad should work for 2-3 years outside the foreign trade network when they return home."

The report states that the basic party organization in the Ministry of Finances decided that "it should be a rule that the director, branch chairmen, inspectors, and storekeepers in the Central Customs Directorate should be rotated every 5 years. Similarly, the branch chairmen, all the supervisors, the account-keepers, and the storekeepers in the customs branches in the district should be rotated every 5 years."

Cadre Renewal Reaps 'Volunteers' for Border Duty

AU2006182188 Tirana ZERI I POPULLIT in Albanian 16 Jun 88 p 1, 3

[Fahri Balliu, Naim Zoto article: "When You Respond to the Call of the Times"]

[Text] In Response to Comrade Ramiz Alia's Speech at the Vlore District AWP Committee Plenum, the Ministry of Internal Affairs Has Cut the Staff of its Apparatus by 10 Percent [subhead]

Twenty-four Cadres From the Apparatus Have Gone to the Base as Commissars in Border Posts [subhead]

In Response to the Politburo Decision, "On the Tenure of Cadres Dealing Directly With the Essential Demands of Working People," It Has Been Decided That, Apart From Cadres Mentioned in the Decision, Those Cadres Responsible for Road Traffic, Visas, and Permits Will Also Be Replaced [subhead]

When one enters the offices of our administration nowadays, one senses the revolutionary, enthusiastic atmosphere aroused by the AWP Central Committee Politburo decision that is yet another embodiment of the party's continuing policy of cadre turnover. It is an atmosphere that cheers and inspires everybody.

"You will find this inspiration, this revolutionary situation," Comrade Hysen Shahu, deputy minister of internal affairs, said to us, "in every unit of our personnel, not only in the ministry, but at the base. We expressed our solidarity with the Politburo's decision immediately after it was promulgated, but the main thing was that we began to implement it at once, and even to expand upon it. For instance, it was decided that, apart from the cadres mentioned in the decision, those cadres responsible for road traffic, visas, and permits will also be replaced."

Comrade Ramiz Alia's speech at the Vlore District AWP committee plenum has truly created a situation that encourages your work and affects you emotionally. Look, read this letter that Bujar Ibi, officer in the Internal Affairs Directorate in Tirana, recently sent to Comrade Ramiz Alia. Bujar writes: "In response to your speech, dear Comrade Ramiz, I have taken the initiative, with my wife, to go to work in Diber District (since the Economic Faculty youth organization is thinking of appointing my wife Adriana, who is completing college this year, to this district), or in another district where the homeland has greater need of me. We are taking this initiative completely consciously and with total conviction, even though it is only a few months since we moved into a new house in Tirana's 10th District."

But let us continue further. A simple notice placed by the party committee in the socialist emulation display cabinet invited ministry personnel to volunteer for work in border posts, particularly as commissars. This timely call prompted by the revolutionary nature of the situation primarily appealed to the communists' level of awareness.

The first volunteer was Engjell Hysi, secretary of the ministry youth organization. He stood in front of the notice only a little longer than was necessary to read it. Its message sank deep into his heart, and he went home and said to his wife Vasilika, a teacher at Tirana University:

"They are asking for volunteers at the ministry for commissars at border posts."

His wife and his little daughter Klesta are used to a quite different environment, to their garden by the back door. Moreover, it is impossible to deny the beauty and bustle of Tirana. But life in its true meaning involves a different kind of deeper, inward beauty, which first of all involves the dignity acquired through labor in the service of your country and people.

"The next day, when I took the road to the ministry that has become familiar down the years, I began to feel pangs of loss over Tirana, but I still signed my name without hesitation," Engjell Hysi said.

And it is pleasing to note that there is a sense of realism, not of euphoria and pretense, in Engjell's tale and in those of all the other volunteers. This shows that their convictions run deep.

"I have been a border post commandant in Carcove, Vllahe, Shelegur, and Qafe-Thane, and have now been at the ministry for 5 years," Daut Doci said. It is satisfying to see that his features have preserved their frankness and that his voice conveys all the freshness of his initiative. Daut has volunteered, and now feels as if he were already at his post. He loves life at the border post as a soldier on patrol, and he loves his hard but noble and edifying duties.

"We do not hold our jobs in the ministry in perpetuity," he said. "They were given to us by the people and the party. There are no offices and posts for life among us."

But what does Koco Orgocka, party secretary at the Ministry of Internal Affairs, say about this initiative?

"There is something special about this initiative. It arose out of the need to achieve a radical improvement in the quality of the work of commissars at border posts. This initiative runs in two directions: Comrades are going to take up work in border posts, and other comrades are returning to complete their party education to a modern, scientific standard. Thus, there is a sense of solidarity; it resembles a relay race in the name of a great cause, the protection of our state border."

Young lads like Atdhe Muho are returning from the border, and this young commissar with the name of Atdhe [homeland] will be succeeded by Asim Mulgeci and Gani Gjoncaj, both from the highlands.

Meanwhile, the list of volunteers reaches 150.

"This initiative has revolutionized working methods for us too," Asllan Ulqinaku, director of the Cadre Directorate, said to us, expressing a great truth of the present day, "because it is an initiative from the masses that upsets routine and gives dynamism, energy, and freshness to our work."

In our conversations, face-to-face encounters, debates, and discussions, we really do feel the pulse of the present day. The frankness of our young comrades, their features, their spiritual purity, and their unrestrained humor speak for themselves. But the struggle for perfection continues through the confrontation between those who are knowledgeable and cultured and those who are not keeping pace with the times, and who reduce their "authority" merely to "knowing and being in charge of great 'secrets.'"

It is often said that figures and percentages speak for themselves. Yet figures remain figures, and percentages remain percentages. It needs the help of people to analyze them and give them their voice. In the last 5 years alone, the staff of the Ministry of Internal Affairs has been renewed and invigorated by many new cadres. In response to Comrade Ramiz Alia's speech at the Vlore District AWP committee plenum in March this year, this ministry has decided to cut its present apparatus by 10 percent and, apart from the prompt response to the recent Politburo decision, 24 cadres from the ministry will go, as we said, to border posts as commissars.

In the apparatus of the Ministry of Internal Affairs, as in every other ministry, you meet and hear of old workers for the party who are outstanding for their wisdom, as well as young lads such as Pandi Sterjo, Agim Serani, Nerulla Zebi, Tonin Vocaj, Luan Capo, and the soldier Ylber Duraku, who are zealous and enthusiastic about the duties entrusted to them. You also find cadres and specialists with between 10 and 15 years of experience. They have graduated from special military colleges and courses, but there are also not a few who have come from civilian life and have worked and specialized in various enterprises around the country.

There is, then, a true mixture of age groups, generations, and different kinds of experience. But age is not everything. We say this because it is possible to be advanced in years, and yet young in your support of new and revolutionary things. Therefore, it is not age but your attitude to the new and the old that is decisive in your work. Not every young person is young, and not every elderly person is old.

Bringing new blood into apparatuses, institutions, offices, and functions is a major issue for the party, the state, and society. The baton is handed on primarily to able and trained people, true revolutionaries who keep in step with the times. There is no reason why dedicated and militant people should not replace the indolent and apathetic, those who protect their cozy chairs with "But we did nothing wrong" and "There is nothing the matter with us." But where is there a greater wrong than when matters do not progress, and nothing moves? Going more deeply into Comrade Ramiz Alia's speech about cadres at Vlore, they told us at the Ministry of Internal Affairs that "We also find lazy people who have become sick of their jobs and have created routines, such as those who, after being appointed to a post, have made no efforts to qualify themselves in it, and have imagined that they can become a chief or a manager by the official act of appointment alone. There is also a smaller category of drones in whose cases the relevant personnel authority acted subjectively at the time of their appointment. When such cadres have been appointed to other posts, according to their abilities, they have achieved distinction, and have been praised and decorated."

The relay race always presses ahead. Otherwise it could not be called a relay race. But it can only be urged forward by people who respond to and are at the fore of present-day cultural and social emancipation. With this in mind, the renewal and replacement of cadres at the Ministry of Internal Affairs has not been done mechanically. You find able people, full of energy and culture, who are authorities in their own fields, in the ministry and at the base, in departments and in units.

It would be naive to imagine that this is a process that has now ended, and that everything has now been set straight. Perhaps it has been a sporadic campaign spirit that has taken its toll here, because sporadic campaigns leave room for the subjectivism that is avoided by energetic scientific work, though not by the assessment of cadres according to the dead letter of files. This was more or less the essence of a conversation we had with a group of ministry cadres, Astrit Mehja, Remzi Qerimi, Perparim Bici, and Asllan Baku. Each expressed his own opinion.

Astrit said, "There used to be an idea that only laboratory workers could go in for scientific work. Now the complexity of situations, events, and social and economic developments urgently demands results based on a scientific foundation of organization and planning. Qualifications and intensive training are necessary now. I myself, just like my comrades and superiors, cannot understand these things without deep study."

It is pleasing to hear it said that "for us working people in the internal affairs authorities, literature has become a supplementary training school for our profession." It is not long ago that special meetings with the writer Ismail Kadare and the doctor of economics Harilla Papajorgji were organized here. Perparim Bici seemed to supply the reason for this thirst for books and culture, saying:

"Strong and natural ties with the people are an important guarantee for the success of our work. We must be in constant contact with people. But we need a general level of culture to create and maintain these ties. We need moral, educational, and intellectual culture, and we need energy and creative ability."

The party and the socialist society that it leads know how to promptly and correctly harmonize and guide the creative abilities and energies of the generations, placing them in the service of the general progress of the nation, and strengthening and enriching our socialist homeland.

'Reeducation' Purges 'Vestiges,' 'Alien' Ideas

AU2206171088 Tirana RRUGA E PARTISE in Albanian No 5 pp 52-60

[Gjergj Murra article: "The Increased Militancy of the Basic Organizations Strengthens the Educational Role of Punitive Measures in the Party"]

[Excerpts] The problems of Marxist-Leninist education and revolutionary tempering of communists has always been and remains at the center of our party's attention. In the final analysis, the implementation of the party's program and the constant affirmation of its leading practical role depend on the level of the ideological training of its members, their readiness to take upon themselves great burdens, and their devotion to the revolutionary cause. That is why, proceeding from Comrade Enver Hoxha's teaching that "Every party member is responsible to the party and the party is responsible for every one of its members," (Enver Hoxha, "On the Party," Vol I, p 176) the party has struggled and continues to struggle with all its might, means, and ways to prevent any of its members from losing their revolutionary qualities and thus degenerating. The party has strived patiently and intelligently to help, reeducate, and restore the confidence, courage, revolutionary spirit, and the spirit of sacrifice in any communist who deviates from the revolutionary path, no matter how slightly—or who begins to feel tired and lags behind—and thus restores him to the role of a vanguard fighter. In addition to other ways and means, disciplinary measures of an educational nature also play an important role in achieving this goal. They have a strong influence in correcting and re-educating those who commit mistakes and constitute at the same time an effective way to combat vestiges and alien manifestations within the party, as well as to strengthen and steel the unity of its ranks.

The wealth of experience gained by our party in deepening and strengthening the educational nature of disciplinary measures is a clear proof of the conclusion that even disciplinary measures cannot be used correctly and with a high degree of educational efficiency without the active and militant role of the basic organization, which constitutes the foundations of the party and the main center where the education and revolutionary tempering of communists is carried out. Because of their great role and the tasks carried out by the basic organizations, the party has given them extensive authority also in the use of disciplinary measures. The fullest use of this authority and, in general, the elevation of the role of the basic organizations in using these disciplinary measures also influence and directly reflect the work of the party itself in raising the educational role of disciplinary measures within its own ranks. [passage omitted]

The party and Comrade Enver have stressed several times that the mistakes of communists must be discussed and judged profoundly, wisely, in a comradely manner, and with a high degree of party-mindedness at the basic organization concerned. Even when a decision has been made to adopt a disciplinary measure against a communist who has erred, it is important that this measure should be argued profoundly, from a theoretical as well as a practical viewpoint, that the vestiges and alien concepts that he must combat be clearly evidenced, as well as the intended educational purpose of the measure. In this way, the disciplined communist concerned is fully convinced of the correctness and necessity of the measure adopted against himself by the organization, while other communists are helped to draw lessons from the mistake of their comrade, to free their consciousness from all vestiges of alien ideologies, and to temper this consciousness with revolutionary principles, norms, and ideology. Comrade Enver Hoxha stresses that when this is properly done, "The basic organization becomes really militant and a genuine school of revolutionary education. It can then play its role as a forge, where communists temper themselves and where mistakes can be corrected more easily in a party-minded way instead of a bureaucratic one." (Enver Hoxha, Works, Vol 11, p 82) [passage omitted]

The party has continually drawn attention to the need to keep up the struggle against all vestiges and influence of alien ideologies in the consciousness and attitude of communists, this being considered to be an essential prerequisite for the ideological tempering and constant revolutionization of its members, to raise their militancy, and to strengthen the unity of thought and action of the party organs and organizations. [passage omitted]

Stalin's 'Liquidation' Campaign Was 'Salvational'

AU2306123488 Tirana ATA IN English
0925 GMT 23 Jun 88

[From the "Press Review"]

[Text] The newspaper LUFTETARI publishes the article "The Peoples Cannot Forget the Blood Shed During World War II," on the occasion of the perfidious and savage attack the Hitlerites perpetrated 47 years ago against the Soviet Union. The article points out that the Soviet people, led by their party with J.V. Stalin at the head, since their first clashes with the enemy defended through their blood and heroism their socialist homeland, thus arousing the hope of the European peoples who were suffering under the Nazi yoke.

The Bolshevik Party with J.V. Stalin at the head, correctly evaluating the feverish preparations of international imperialism for launching of a new world war, especially the menace posed by the aggression of the fascist states, alongside the work for the country's socialist construction, had adopted all the necessary ideological, political, economic and military measures to strengthen the defense potential of the country. The successful development of the policy of the CP of the Soviet Union with Stalin at the head for the socialist industrialization of the people's economy and the collectivization of agriculture within a short period of time, had created the necessary conditions for the setting up of a stable defense.

Of special and salvational importance for the consolidation of the country's defense potential was the liquidation of the Trotskyite-Bukharinian gang, including the treacherous group of Tukhachevskiy, which operated in the steering organs of the Red Army. Being placed in service of the secret services of the capitalist states, he strove by all manners of means to undermine the military and economic power of the Soviet Union, to destroy the Soviet party and state from within, playing the role of the fifth column.

After J.V. Stalin's death, the revisionist treacherous cliques of Khrushchev-Brezhnev seized power in the Soviet Union and transformed J.V. Stalin's homeland into a social-imperialist state, overthrowing all the victories of the October Socialist revolution. Now the new leadership of the Kremlin is making all efforts to approach the USA.

Summit Ignores 'Incurable Wounds' in Economies

AU2306124088 Tirana ATA in English
0950 GMT 23 Jun 88

[Text] Tirana, June 23 (ATA)—The 14th summit meeting of the most industrialized capitalist countries, which held its proceedings in Toronto of Canada, discussed on economic questions, such as the most important financial and trade problems of the participating countries as well as the international situation. After the political statement, which made a "positive" balance-sheet of the intensive Soviet-American dialogue on "disarmament" and regional conflicts and stressed that "The maintenance of the nuclear striking force, along with the sufficient forces in conventional weapons, is a guarantee to peace and freedom," the economic communique of this summit was issued. As it has happened in other cases, too, in this document efforts are made that through compromise deep disagreements and the incurable wounds of the long economic crisis which has gripped the capitalist world be covered up.

The said document avoids completely or mentions slightly such serious problems as the colossal budget deficit of the United States, whose impact is very grave for Washington's allies, the disagreements regarding the agricultural subventions, the huge foreign debts of the developing countries, etc. With regard to the latter, both prior to the meeting and after it, much talk was made on a "solution" in favour of the debtors. But the communique lays the stress on symbolic reduction of the interest rates or postponenemt of the annual paying off terms, at a time when the obligations of these countries toward the foreign financial capital have surpassed 1200 billion dollars, ensuring ever greater profits for the creditors.

As for the so called "positive tendencies" that the economies of these seven most industrialized capitalist countries have witnessed in the recent years, the reality proves the opposite.

Delegation Returns From Berlin Nuclear Meeting

AU2306131688 Sofia Domestic Service in Bulgarian 1300 GMT 23 Jun 88

[Text] The Bulgarian delegation led by Comrade Petur Tanchev returned today from Berlin, where it had taken part in the international meeting on a nuclear-free zones program.

At Sofia airport the delegation was met by secretaries and members of the Permanent Board of the Bulgarian National Agrarian Union. Egon Rommel, GDR ambassador to Bulgaria, was also present.

Yotov Receives Socialist Academy Secretaries

AU2306191888 Sofia BTA in English 1821 GMT 23 Jun 88

[Text] Sofia, June 23 (BTA)—Mr Yordan Yotov, Politburo member and secretary of the CC of the BCP, received the chief scientific secretaries of the academies of sciences of the socialist countries, who are holding a working meeting in this country. In a friendly atmosphere, the guests were briefed on the work of the BCP in fulfillment of the resolutions of the 13th BCP Congress and of the BCP National Conference, on the problems and prospects of restructuring in the intellectual sphere and more specifically in science.

Hungary's Ballai, Control Delegation End Visit

AU1806143588 Sofia RABOTNICHESKO DELO in Bulgarian 16 Jun 88 p 4

[Text] A delegation from the Central People's Control Commission of Hungary led by Laszlo Ballai, the commission's chairman, has been on a visit to Bulgaria.

The delegation held fruitful meetings with the leadership of the Committee for State and People's Control, at which they discussed the work of the control organs of the two fraternal countries under restructuring. The delegation visited Veliko Turnovo, where it held talks with the municipal BCP and state and people's control committees, as well as with people's control commissions in industrial enterprises. The delegation also acquainted itself with the work of the new territorial organs of management in Sofia's Mladost Municipality.

On 15 June the delegation departed from Bulgaria.

Joint Chemical Industry Venture With FRG

AU2006165988 Sofia BTA in English 1448 GMT 20 Jun 88

[Text] Sofia, June 20 (BTA)—The Medabyk Limited Company was officially incorporated today as the first joint venture of its kind, established by the Byk-Gulden Lomberg Chemische Fabrik GmbH of Constance, the FRG, and the Bulgarian Medical Academy. The company's two main lines of business will be to produce medicines for the Bulgarian and the international market and baby food. Two Bulgarian plants have already received the requisite equipment. The first joint product, the "Humana-Suncho" banana mix, is expected to appear in the shops soon.

Medabyk is actively involved in the construction of a national experimental center for commercial stockbreeding in the town of Kazanluk (central Bulgaria). It has helped outfit a laboratory with monitoring equipment.

Fine prospects for joint work open in the use of varnishes in plastics processing and in the manufacture of wallpaper and floorings. There are opportunities for joint production of special-purpose cables used in computer technology.

The establishment of Medabyk Limited comes as a logical outgrowth of our long-standing contacts," Mr Kurt Buttner, president of Byk-Gulden Lomberg, told a BTA reporter. Over the last few years, the partners have built fine trade relationship which has recently transcended the traditional limits and has been extended into scientific and technological cooperation and joint pharmaceutical production.

Zhivkov Receives Laliotis-Led PASOK Group

AU2106164288 Sofia BTA in English 1555 GMT 21 Jun 88

[Text] Sofia, June 21 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council of Bulgaria, received the visiting here delegation of the Panhellenic Socialist Movement (PASOK) headed by Mr Kostas Laliotis, member of the Executive Bureau of the Central Committee.

He handed a message from Mr Andreas Papandreou, chairman of PASOK and prime minister of the Hellenic Republic, referring to certain questions of the development of the cooperation between Greece and Bulgaria in the framework of the activation of the constructive dialogue between the Balkan states on a bilateral and multilateral base. During the talk the two sides exchanged information on the activity of the two parties at the present stage and discussed certain international issues.

Mr Todor Zhivkov accepted the message with satisfaction and on his part conveyed greetings to Mr Andreas Papandreou and sent greetings and good wishes to the Greek people.

The meeting, which passed in a friendly and cordial atmosphere, was attended by Mr Milko Balev, member of the Politburo and secretary of the CC of the BCP, Mr Dimitur Stanishev, secretary of the CC of the BCP, as well as by Mr Ioannis Souladhakis, member of the

Executive Bureau of the CC of PASOK, and Mr Vassilis Konstantineas [spelling of name as received], head of the International Relations Department of the party.

Delegation Ends Visit
AU2306174688 Sofia BTA in English 1608 GMT 23 Jun 88

["To the Benefit of Bulgaro-Greek Relations"—BTA headline]

[Text] Sofia, June 23 (BTA)—At the invitation of the CC of the BCP, Mr Kostas Laliotis, member of the Executive Bureau of the Central Committee of the Panhellenic Socialist Movement (PASOK) led a PASOK delegation on a visit here from June 20 through 22, 1988.

Mr Todor Zhivkov, secretary general of the CC of the BCP, received the delegation and was handed a message from Mr Andreas Papandreou, president of PASOK.

The guests conferred with the Politburo members of the CC of the BCP Mr Milko Balev, secretary of the Central Committee, and Mr Pencho Kubadinski, chairman of the National Council of the Fatherland Front, as well as with Mr Dimitur Stanishev, secretary of the CC of the BCP. During their discussions, which were held in a cordial and friendly atmosphere, the sides ascertained an identity and closeness of their views on the relations between Bulgaria and Greece and on the international situation, especially as far as the Balkans and Europe are concerned.

Guided by a desire to maintain world peace, curb the arms race and prevent outer space militarisation, the sides welcomed the Soviet-American INF Treaty as well as all initiatives, including the five-continent peace initiative, seeking disarmament and world peace and a peaceful settlement of regional problems and disputes.

The state and the prospects of Bulgaro-Greek relations featured prominently on the agenda as an important stabilizing factor in the Balkans. An emphasis was laid on the two countries' role and contribution to the initiatives on turning the Balkans into a nuclear- and chemical-weapon-free zone, on strengthening inter-Balkan good-neighbourliness and cooperation in the spirit of the Helsinki Final Act. In this connection, the sides noted the importance of the meetings between Mr Todor Zhivkov and Mr Andreas Papandreou and especially of the declaration of friendship, good-neighbourliness and cooperation between the People's Republic of Bulgaria and the Hellenic Republic of September 11, 1986.

The Belgrade meeting of the ministers for foreign affairs of the Balkan countries was assessed in positive terms, as was the preparedness of Bulgaria and Greece to work consistently for the furtherance and promotion of the process which that meeting initiated. This process of constructive dialogue on a multilateral and a bilateral basis, which has recently been gathering momentum, is consistent with new political thinking and with the positive tendencies in international affairs.

The two parties reaffirmed the identity in principle of their stands on the Cyprus problem. They expressed the hope that the emerging positive changes in the international situation create favourable conditions for the peaceful and just settlement of the problem on the basis of the UN resolutions, with due respect for the unity, the territorial integrity, the independence and the nonalignment of Cyprus.

The sides agreed that the new realities require all progressive and democratic forces to unite their efforts to build a peaceful and just world without nuclear and chemical weapons, and that all left-wing forces: communists, socialists, social democrats and others, bear their own share of the responsibility for this. Each one of these forces should make its own contribution to the attainment of this goal.

The BCP and PASOK stressed their conviction that the regular meetings and exchanges of views on matters of common concern are necessary and useful because they give an impetus to the contacts and cooperation built on the basis of mutual respect and regard for the distinctive ideological and political complexion of the two parties, because they contribute to the further strengthening of the existing excellent relations between the two countries and their peoples.

Atanasov Receives Kuwaiti Trade Minister
AU2006134688 Sofia BTA in English 1234 GMT 20 Jun 88

["Bulgaria-Kuwait: Economic Cooperation"—BTA headline]

[Text] Sofia, June 20 (BTA)—Mr Georgi Atanasov-,chairman of the Council of Ministers of Bulgaria, and Mr Faysal 'Abd al-Razaq al-Khalid, minister of trade and industry of Kuwait, assessed highly the bilateral economic relations. During the talk the two sides discussed the opportunities for establishing of joint enterprises in the sphere of tourism, agriculture, and infrastructure, for broadening of the cooperation in health services.

Mr Faysal 'Abd al-Razaq al-Khalid is visiting this country in connection with the third session of the Bulgaro-Kuwaitian Committee for Trade and Economic Cooperation. A review of the hitherto development of the economic relations was made. It was noted that in spite of the good results that have been achieved there are a number of unused possibilities for their further activation.

The protocol signed for the third session envisages considerable increase of the barter and services. An agreement for mutual encouragement and protection of investments is expected to be signed in the near future, it will provide opportunities for joint investments in projects. There are conditions for participation of Bulgarian engineering organizations in the construction of projects in third countries financed by Kuwaitian funds.

The possibilities for the participation of Bulgarian experts in the development of transport, health services and urban development were also discused. Joint companies are expected to be found for this purpose.

Balev Speaks at Meeting With UN's Hinteregger

AU2306123988 Sofia RABOTNICHESKO DELO in Bulgarian 22 Jun 88 p 6

[Mitko Bozhkov report: "Goodwill is a Prerequisite for Cooperation"]

[Text] The National Assembly's Foreign Policy Permanent Commission held a session on 21 June in Sofia, at which Mr Gerald Hinteregger spoke on the state of East-West economic relations and on the opportunities for their future development.

This session evoked great interest. It was attended by Grisha Filipov, member of the BCP Central Committee Politburo and Central Committee secretary, chairman of the National Assembly's Permanent Commission on Socioeconomic Development, by other representatives of the National Assembly leadership, of its permanent commissions, and by high-ranking functionaries of the BCP Central Committee, the State Council, the Council of Ministers, the Ministry of Foreign Affairs, the Ministry of Foreign Economic Relations, other departments, scientific institutions, and organizations which are involved in the development of economic and scientific-technical cooperation with the West.

Milko Balev, chairman of the National Assembly's Foreign Policy Permanent Commission, pointed out as follows in his speech:

The People's Republic of Bulgaria is following a policy of wide international contacts, a policy promoting the development of relations with all countries throughout the world. We are convinced that Europe, with its tremendous potential, can develop only in a spirit of unity, by overcoming division. Specific steps toward the establishment of a contractual-legal basis of cooperation between CEMA and the EEC, making this cooperation official, are of particular importance today. Such measures are likely to contribute to a normalization of relations between the two major economic blocs and, provided there is goodwill, they are likely to mark the beginning of a new stage in technological, economic, and ecological cooperation on the European continent.

Mr Gerald Hinteregger's statement expressed the desire to make the work of the UN Economic Commission for Europe useful for all European countries. Mr Hinteregger expressed his positive evaluation for the results of the Soviet-American summit meeting which will exert a positive effect upon East-West relations. In his opinion the economic reforms accomplished in the socialist countries are contributing to these relations. He pointed out specific examples of cooperation in various spheres, analyzing the existing problems in the activities of the commission which is an important organ of the United Nations for the promotion of economic and scientific-technical cooperation in Europe. The speaker also answered questions posed to him.

We are searching for new forms and essential elements connected with the all-European process, Mr Gerald Hinteregger declared. The UN Economic Commission for Europe will contribute to the intensification of East-West relations.

UNESCO Deputy Chief Kaddoura Meets Yordanov

AU2206131988 Sofia BTA in English 1232 GMT 22 Jun 88

["Bulgaria and UNESCO"—BTA headline]

[Text] Sofia, June 22 (BTA)—Mr Abdul-Razzak Kaddoura, UNESCO's assistant director general for natural sciences, is paying a visit to Bulgaria. He represented the organisation's director general at the UNESCO-sponsored conference on European scientific cooperation held in Varna from June 16 through 18. He conferred with Mr Georgi Yordanov, minister of culture, science and education, and held talks at Bulgaria's National Commission for UNESCO and at the Bulgarian Academy of Sciences.

Mr Kaddoura told a BTA reporter that UNESCO and Bulgaria maintain fruitful and promising cooperation.

In Sofia he visited the Centre of Phytochemistry, established with the assistance of the United Nations Development Programme (UNDP) and of UNESCO. He met the heads of Bulgaria's national committees on the organisation's international research programmes and with the executive directors of Bulgaria's joint projects with UNESCO.

The UNESCO assistant director general said: "I am familiar with the phytochemistry centre project, and I was impressed by the state-of-the-art equipment and by the competent management of the centre. I have been able to meet not only Bulgarian researchers but also teams from Algeria, Nicaragua, Costa Rica, and Vietnam. I think that the centre is doing a very useful job, above all as far as Bulgaria is concerned, but it can also serve as a basis for the promotion of international cooperation. I am optimistic about the future of our contacts."

"There are very fine prospects for the promotion of research contacts in general," Mr Kadoura emphasised. "We have reason to believe so after the recent meeting in

Varna. Apart from countries of Eastern and Western Europe, countries which are not members of the organisation also took part in the conference, the results of which will be taken into account in UNESCO's programmes."

Bulgaria's hosting, as well as her participation in UNESCO's major international programmes: The International Hydrological Programme (IHP), the Intergovernmental Programme on Man and the Biosphere (MAB), the International Geological Correlation Programme (IGCP), the Intergovernmental Oceanographic Commission (IOC), etc., are evidence of the country's willingness to help promote scientific cooperation within the UNESCO framework in Europe and worldwide, said the organisation's assistant director general.

National Assembly Environmental Group Meets

AU2206101488 Sofia Domestic Service in Bulgarian 0900 GMT 22 Jun 88

[Text] The National Assembly Permanent Environmental Protection Commission is in session today. Stanko Todorov, chairman of the National Assembly, is participating in the work of the session.

The session discussed the activities and tasks of the commission resulting from the decisions of the BCP Central Committee Politburo for radical restructuring of environmental protection activities and for the implementation of a new environmental policy. Mako Dakov, deputy chairman of the commission, pointed out that the most urgent tasks today are the introduction of ecological methods in agricultural and forestry activities, the reduction of air pollution caused by automobile transport, measures against acid rain, and the preparation of fundamentally new technological methods for the purification of industrial and domestic waste waters. Stricter parliamentary control should be applied and expanded in this field. The contribution of the commission should be intensified in connection with the implementation of the noble, humanitarian initiatives submitted by our country for the ecological protection of the Balkan peninsula. Bilateral, parliamentary relations and cooperation in this sphere should be better utilized.

The National Assembly deputies are also discussing the condition of drinking water sources and the implementation of the program for the reduction of air pollution caused by sulphur and nitrogen oxide.

Further Reportage on Party Secretaries Meeting

Attendees Listed

LD2306165488 Prague Domestic Service in Czech 1400 GMT 23 Jun 88

[Excerpt] A statewide meeting of chief secretaries of CPCZ and CPSL regional and district committees opened in Prague Castle's Spanish Hall today. The deliberations are being attended by Milos Jakes, general secretary of the CPCZ Central Committee; Gustav Husak, president of the Republic; Federal Premier Lubomir Strougal; Ladislav Adamec, Vasil Bilak, Peter Colotka, Jan Fojtik, Karel Hoffmann, Alois Indra, Ignac Janak, Josef Kempny, and Jozef Lenart, members of the CPCZ Central Committee Presidium; Josef Haman, Vladimir Herman, Miloslav Hruskovic, Frantisek Pitra, and Miroslav Zavadil, candidate members of the CPCZ Central Committee Presidium; Jaroslav Hajn, chairman of the CPCZ Central Control and Auditing Commission; Mikulas Beno and Frantisek Hamus, secretaries of the CPCZ Central Committee; Zdenek Horeni, Marie Kabrhelova, Vasil Mohorita, Jindrich Polednik, and Miroslav Stepan, members of the Central Committee Secretariat. [passage omitted]

Jakes Addresses Group

LD2306193588 Prague Domestic Service in Czech 1600 GMT 23 Jun 88

[Excerpts] The state-wide meeting of chief secretaries of the regional and district committees of the CPCZ and the CPSL opened in the Spanish Hall of Prague Castle today. [passage omitted]

The leadership of the party, Milos Jakes said in his introduction, has called the meeting of chief officials of the district and regional committees with the representatives of the central party organs in order to exchange information, generalize experiences, unify views, and to bring about further progress in implementing the party guidelines on significant political, social, economic, and ideological tasks. We consider such meetings as a necessary and desirable method of work, an efficient means to strengthen party unity and activity, and as a prerequisite for increasing its efficiency.

We have called today's meeting also because the fulfillment to date of the conclusions of the 17th CPCZ Congress may be considered satisfactory. It is necessary to tackle the existing problems and shortcomings more speedily and more insistently. We are meeting shortly after significant deliberations by the party Central Committee, Milos Jakes continued. At the end of last year, the seventh session of the party Central Committee worked out a comprehensive policy of economic and social restructuring, as well as tasks in deepening socialist democracy and self-administration. The ninth session of the CPCZ Central Committee openly assessed the readiness of the party to cope with new tasks. It set out the basic directions for increasing the activity, militancy, and responsibility of party organs and organizations and all Communists in fulfilling the revolutionary tasks of restructuring. It formulated demands to strengthen the leading role of the party in society. It is important that the party conducts political leadership and does not replace the activity of the state or economic and social organs and organizations. A significant source of the knowledge and inspiration for us in this direction is the theses issued on the occasion of the 19th All-Union CPSU Conference and, no doubt, its results will be equally significant.

In connection with the firm implementation of the conclusions drawn by the 17th CPCZ Congress, Milos Jakes also singled out the considerable importance of the eighth session of the party Central Committee, which took place to mark the 40th anniversary of the Victorious February 1948. Its contents were highly political. The session provided arguments for the historical continuity of the current strategic tasks with the previous construction of socialism in our country. It adopted a clear-cut and principled stand on the crucial events of the postwar development of our state and party work. Ranking among them is also the social crisis in 1968 and 1969.

We stressed again that our assessment of the events of 20 years ago expressed in the document "lessons" and the CPSU Central Committee's report delivered at the 14th congress, continues to be valid, Milos Jakes said.

He then went on to devote himself in detail to the assessment of the results of the primary members' meeting, works, local, district, and regional party conferences. Now, he stressed, it is necessary to focus attention on the implementation of the resolutions adopted in the spirit of the conclusions drawn from the proceedings of the party Central Committee and to organize in the specific conditions of party bodies and organizations the implementation of the strategic line set by the 17th party congress, from which we are not retreating. This line determines the long-term direction of party's work. This applies to each organization in enterprises and localities, each district and region, and naturally also to the party Central Committee.

We must proceed everywhere from the premise that it will be above all the comprehensive restructuring of the economic mechanism and democratization of all areas of society's life that will decide the fate of the strategy of speeding up social and economic development. The political, organizational, ideological, cadre, and supervisory activity of the party must be directed toward this aim, Comrade Milos Jakes stated.

He went on to say we regard restructuring and democratization as a condition of the development of socialism in the present stage. Specific conditions of individual countries must be naturally respected in putting both in practice. We follow very attentively how both are being put into practice in other socialist states and in particular in the Soviet Union, whose experiences are very valuable and inspiring to us. Taking regard of our conditions, we are making use of good experiences acquired by the fraternal countries and are endeavoring by our own efforts to contribute to the storehouse of collective knowledge. At the same time we draw lessons from certain negative phenomena brought by the reform processes in the socialist countries and are endeavoring to avoid them.

Comrade Milos Jakes then discussed in detail the results of social and economic development and the situation in the fulfillment of the aims of the Eighth 5-Year Plan in the individual branches of the national economy. He paid attention to the main problems on which the party organs and organization must focus attention. Although we have recently marked some positive features in the development of the national economy, we cannot be satisfied with the overall situation. The progress in the most important direction, which is intensification of the economy on the basis of efficient utilization of scientific-technological development, is unsatisfactory. The causes are not only in the current system of management, which is, to a great extent dependent on the conditions of extensive development, but also in subjective shortcomings, above all in the activity of management organs and employees.

At the same time, it is particularly in the economy that material prerequisitives are being created for a further marked growth of the standard of satisfaction of the needs of the people. In this period, Comrade Milos Jakes continued, we have commenced to implement significant measures connected with a gradual implementation of the restructuring of the economic mechanism. He thus briefed those present on the progress of restructuring of the central organs, reducing the numbers of its employees, and on legislative safeguarding of the economic reform. He stressed that the new organizational arrangement of the production-technological base and creation of state enterprises according to the new law, whose first stage will begin to be implemented from 1 July, is also an exceptional new task of restructuring.

The new shape of organization must consistently stem from the needs of the whole of society. Setting up state enterprises, increasing their independence and responsibility, elections of self-governing bodies and managers, create new requirements on the activity of party organs and organizations. One also must readjust the structure of party work in the new state enterprise to the restructuring of the base of the enterprises and to safeguard consistent implementation of its leading role. New tasks require that we not only fully utilize all the possibilities of the present well-tried democratic political system, forms and instruments which developed in the process of the building of socialism, but at the same time, that we also seek and implement further paths in expanding socialist democracy.

The extension of democratic principles into the economic sphere is a totally new step in this direction, noted Comrade Milos Jakes, going on to stress that more vigor must be shown in implementing the proposals for activating the National Front adopted by the CPCZ Central Committee Presidium and the joint session of the Central Committees of the CSSR, Czech, and Slovak National Fronts. The democratization process in the bodies and organizations of the National Front must be further deepened. An important role in activating public life is played by the national committees, which represent the link between the state's power and people's self-management, Comrade Milos Jakes stated. He noted that the Czech and Slovak National Councils are currently passing amendments to the law on national committees which extends their powers, responsibility, and autonomy.

The course on which we have embarked and the tasks and problems we have to tackle give a clear and unambiguous direction to the party's ideological work: it must systematically explain the purpose and objectives of restructuring and its practical implementation. At the same time we must help to create an atmosphere for changes in society and in the economy, wage a campaign to convince the people and implement the declared intentions and plans, and work effectively to ensure that all social forces are mobilized and that all resources of the working people's creative initiative and activity are made available. One of the vital conditions for the success of restructuring and the democratization processes is the openness of our policy. Applying the principles of public information is a paramount task for the whole party; in this context an exceptionally important role is played by the press, radio, and television which we consider as an important tool of the policy of the party, National Front and socialist state, and whose ideological impact we see as an effective organizational force.

The tasks facing us in all areas of the life of society are exceptionally important and urgent. Their fulfillment will not be easy—it will mean goading the whole of our society into action, Comrade Milos Jakes stated.

He went on to stress that party bodies and organizations must in their activity be more resolute in eliminating all that nurtures stagnation, passivity, and administrative approach. Regional and district party committees must lead primary organizations to combine people's forces and abilities. They themselves must serve as an example to party organizations in open policy, in the art of working with people, must be among the people, and must develop internal party and socialist democracy. Party bodies and organizations must be more consistent in tackling questions with the participation of people, consult them, and make use of their experiences and suggestions.

The democratization process is linked inseparably with the strengthening of responsibility, order, and discipline in society as well as in the party itself, Comrade Milos Jakes stressed.

He described the strengthening of peace as the basic condition of fulfilling our intentions. He recalled that a certain turn for the better in international relations is the outcome of the new political thinking and new approaches to the key issues of world development championed by the CPSU. The share of the Soviet Union and entire socialist community in positive changes on the international political arena is indisputable. Our community bases itself on the comprehensive program for ensuring peace and security for all nations.

As regards Czechoslovakia, Comrade Milos Jakes said, we are devoting special attention to relations with the neighboring states and to questions of strengthening security in central Europe. Our proposal to create a zone of confidence, cooperation and goodneighborly relations along the line of contacts between the Warsaw Pact and NATO states is a concrete contribution toward strengthening European security. We regard the prevention of nuclear war, the halting of the feverish arms build-up, and the transition to disarmament as a key task, Comrade Milos Jakes declared today at the statewide conference of chief secretaries of regional and district committees of the CPCZ and the CPSL held in Prague Castle.

Vaclavik on Army Reform, Democratization

LD2406104688 Belgrade TANJUG in English
1421 GMT 23 Jun 88

[Text] Prague, June [no date as received] (TANJUG)—A reform will be launched in the Czechoslovak Army with the aim of removing all negative manifestations [word indistinct] more consistent implementation of the defence policy, Czechoslovak Defence Minister General of the Army Milan Vaclavik said in a television interview last night.

Under the influence of the economic reform and other changes in Czechoslovakia, the economic account principle will be applied in all army production enterprises, General Vaclavik said. He underlined that even greater savings should be realized in training, mentioning as an example that the Army (?saved over) 11,000 tons of [word indistinct] last year.

A "Democratization of Life in the Army" has also started being considered, although army life will still be based on orders, commands and centralism, General Vaclavik said.

Further Reportage on Federal Assembly Session

Zak Presents 1987 Economic Report

LD1406132688 Prague CTK in English
1220 GMT 14 Jun 88

[Text] Prague June 14 (CTK)—The Czechoslovak economy further developed in 1987, the living standard increased and the growth of personal and social consumption was ensured to the planned extent, Czechoslovak Finance Minister Jaromir Zak told the Czechoslovak Federal Assembly presenting the 1987 final account today.

Attending the session on its opening day are Czechoslovak Communist Party General Secretary Milos Jakes, President Gustav Husak and Premier Lubomir Strougal.

On the other hand, Jaromir Zak noted, no decisive turn was made towards the intensification and growth of effectiveness of the Czechoslovak economy. This was evident for instance in the failure to fulfil the planned rate of growth of the national income which rose by 2.2 instead of the planned 3 per cent. In order to balance the budget, some cuts had to be made during the year in expenditures. However, they did not affect the social sphere in which some new allowances were even started, concerning social assistance to families with children, old-age pensions and social care.

"We link the basic solution of raising the effectiveness of production, capital construction and foreign trade, and the acceleration of scientific-technological development, removal of shortcomings in the quality of production, stocks development and other related phenomena, to the implementation of the restructuring of the economic mechanism, to the complete application of self-accounting and the principle of self-financing. This does not mean that the solution in these key spheres of economic development can be put off until the beginning of the next five year plan" (1991-95), Jaromir Zak said.

He pointed out that "neither the central bodies nor the government will continue to yield to pressure from economic organizations to gain financial sources from the centre, including foreign currency, if they fail to fulfil planned tasks in the creation of their own resources, put out law-quality or out-dated products and are slow to react to changes in production and marketing conditions".

The finance minister noted that state budget revenues were negatively influenced in 1987 by the failure to meet the planned turnover tax and by low profits, especially in engineering. On the other hand, the planned incomes of the national committees were exceeded. Subsidies to repairs were higher than planned in budget expenditures while the planned subsidies to agriculture were not exhausted.

State budget expenditures for the population further increased, in implementation of the first stage of social measures approved by Czechoslovak bodies in April last year. This applied to social allowances and old-age pensions, health care and education as well as spendings on culture.

Large sums have also been spent on the reconstruction of many historical buildings, such as the chateaux at Kromeriz, Hluboka and Cervena Lhota, the minister said.

Agricultural Bill Approved

LD1506151388 Prague CTK in English
1326 GMT 15 Jun 88

[Text] Prague June 15 (CTK)—The Czechoslovak Federal Assembly continued its session here today with discussion and approval of the new Czechoslovak bill on agricultural cooperatives, in the presence of Communist Party General Secretary Milos Jakes and Premier Lubomir Strougal.

Presenting the bill Minister of Agriculture and Food Miroslav Toman emphasized that it is one of the most important elements of the restructuring of the economic mechanism in Czechoslovakia since agricultural cooperatives account for two-thirds of the overall food production in the country and their results largely contribute to the fact that Czechoslovakia ensure 98 per cent of its food consumption. The bill will have direct impact on the economy of 1,633 agricultural cooperative farms and 326 mixed enterprises and will also influence the working and social conditions of almost one million members of cooperative farms and 80,000 employees of mixed enterprises.

"The bill makes it possible for agricultural cooperatives not only to turn out but also process agricultural produce and to develop other activities which serve above all the development of agricultural production and also other social needs including services in the countryside. We thus create a broader scope for cooperatives' enterprise in the interest of diversification of production and strengthening of their economic stability by way of creating resources to accelerate the process of intensification of agricultural production, and also conditions for purposeful involvement of Czechoslovak agricultural cooperatives in socialist international cooperation," Miroslav Toman said.

He underlined that the bill markedly expands democracy inside cooperatives and substantially limits the number of regulations adjusting and directing the activity of individual cooperative farms and mixed enterprises. All inner regulations including the statutes, labour and election codes are solely within the power of cooperative bodies. [words indistinct] is observance of the socialist laws, Miroslav Toman stressed.

Land Use Ammendments Approved

LD1506152088 Prague CTK in English
1332 GMT 15 Jun 88

[Text] Prague June 15 (CTK)—The Czechoslovak Federal Assembly at its session today discussed and approved amendments to the law on the use of land and other agricultural property for ensuring production which has been in effect since 1975.

The amendments were presented by Minister of Agriculture and Food Miroslav Toman who stressed that they will make it possible for socialist agricultural organizations to offer land unsuitable for socialist agricultural large-scale production for use to their members or employees, or to another state or cooperative organization for agricultural or exceptionally even for non-agricultural use.

The aim of the amendments is to ensure maximum possible utilization of the existing fund of agricultural land. One of the reasons for transferring the right to the use of land to another socialist organization or even a citizen can be the establishment of a small water power plant, Miroslav Toman said.

Housing, Cooperatives Law Approved

LD1506152988 Prague CTK in English
1348 GMT 15 Jun 88

[Text] Prague June 15 (CTK)—The Czechoslovak Federal Assembly today discussed and approved a new Czechoslovak Law on Housing, Consumer and Producer Cooperatives which was presented by Minister of Agriculture and Food Miroslav Toman.

He stated that there are more than 800 housing, consumer and producer cooperatives operating in Czechoslovakia at present with a total number of employees nearing 400,000. Their importance for the Czechoslovak economy is shown e.g. by the fact that the number of flats owned by cooperatives exceeds one million, i.e. 20 per cent of the total number of flats in Czechoslovakia. Consumer cooperatives account for about one quarter of the overall retail trade turnover in Czechoslovakia. The chief aim of the new law is to create preconditions for this huge potential to still more effectively use its possibilities in the conditions of the new economic mechanism. In this connection Miroslav Toman noted that the law creates a greater scope for the initiative and enterprise of cooperatives and their members, for the development of democracy within cooperatives. It also specifies the conditions for the establishment of new cooperatives in this sphere and markedly limits administrative barriers hampering the activity of cooperatives.

The bill defines a cooperative as an economically independent unit operating on the basis of the principles of self-accounting and self-financing. The application of these principles in practice will be a challenging task because a number of cooperatives have as yet been unable to create sufficient resources to ensure their needs and the means for these cooperatives have so far had to be ensured by redistribution, Miroslav Toman said. He stressed that these cooperatives will have to analyze their activity to date and seek solutions leading to their economic independence.

The Central Council of Cooperatives remains the supreme body of the cooperative movement in Czechoslovakia, defined in the bill as representative of Czechoslovak cooperatives both at home and abroad, Miroslav Toman said.

Arbitration Law Amendments Approved

LD1506204088 Prague CTK in English 1640 GMT 15 Jun 88

[Text] Prague June 15 (CTK)—The Czechoslovak Federal Assembly approved at its session today amendments to the Czechoslovak Law on Economic Arbitration.

Minister of the Czechoslovak Government Marian Calfa said in his address inter alia that the amendments stipulate new conditions for settling disputes between economic organizations, and between these organizations and their superior authorities in the case that the latter undesirably intervene in the economic activities of enterprises. The amendments follow up closely the adopted laws on state enterprises, on farming and other cooperatives and above all the amendments to the economic code.

Compared with the Law on Arbitration valid so far the amendments define a whole number of new types of disputes. On a recommendation by enterprises or cooperatives, arbitration organs will, for example, decide whether the authorities were wrong or justified in interfering in their powers. If such interference is found to be unlawful, economic arbitrators will confirm its invalidity, Minister Calfa said.

Attendees Listed 16 Jun

LD1606123388 Prague Domestic Service in Czech 0900 GMT 16 Jun 88

[Excerpt] The 10th joint session of the Chamber of People and the Chamber of Nations of the Federal Assembly continues with its final day in Prague today. The session is attended by Milos Jakes, general secretary of the CPCZ Central Committee; Federal Premier Lubomir Strougal, and other members of the CPCZ Central Committee Presidium: Ladislav Adamec, Peter Colotka, Jan Fojtik, Karel Hoffmann, Ignac Janak, Alois Indra, Josef Kempny, and Jozef Lenart; candidate members of the CPCZ Central Committee Presidium. Josef Haman, Vladimir Herman, Miloslav Hruskovic, Frantisek Pitra, and Miroslav Zavadil; secretaries of the Central Committee: Mikulas Beno and Frantisek Hanus; and members of the CPCZ Central Committee Secretariat: Zdenek Horeni, Marie Kabrhelova, Jindirch Polednik, and Miroslav Stepan. [passage omitted]

Trade Amendments Approved

LD1606123688 Prague CTK in English 1043 GMT 16 Jun 88

[Text] Prague June 16 (CTK)—The Czechoslovak Federal Assembly debated and approved amendments to the Law on External Economic Relations on the third day of its session today.

Foreign Trade Minister Jan Sterba noted in an expose' that the amendments to the 1980 law define the powers and duties of state bodies in creating conditions for economic activities in relations with foreign countries and list the principles of the status and foreign trade activities of economic organizations. The aim pursued in amending the legislation was to give greater possibilities to enterprises to take advantage of their own initiatives in economic activities.

State interventions into the powers of enterprises are limited to basic issues of the protection of state interests. They are aimed primarily at ensuring the basic trade policy and other important state interests and enabling the state to take extraordinary steps to ensure the implementation of important international contracts and to protect the interests of society. The state's influence is exercised primarily in deciding on permissions for foreign trade contacts granted to enterprises. Czechoslovak enterprises are entitled to a foreign trade permission provided they prove they have met certain prerequisites specified by law, the minister said.

"This is the first time that so-called direct relations are provided for by Czechoslovak legislation", the minister said and noted that they are to help increase the level of production and its effectiveness. They mean primarily cooperation with foreign corporations within the framework of socialist economic integration.

Jan Sterba noted that the procedure in signing contracts on specialization and cooperation in production is being considerably streamlined. No permission will be required for such contracts with organizations of the Council for Mutual Economic Assistance member states and for cooperation contracts with any partners under which the annual export of the Czechoslovak enterprise will not exceed 30 million crowns.

Health Benefits Amendments Approved

LD1606160388 Prague CTK in English 1331 GMT 16 Jun 88

[Text] Prague June 16 (CTK)—Amendments to sickness benefits improving primarily social security in case of sickness for members of cooperative farms were another document passed by the Czechoslovak Federal Assembly on the last day of its session today.

Labour and Social Affairs Minister Miloslav Boda noted that under the new law on cooperative farms the work of their members will be considered as the jobs of employees in other branches and their sickness benefits must be in harmony with this. If, then, a member of a cooperative farm is unable to do his or her work for instance because of sickness, maternity or other reason, his sickness benefits will be comparable with those of people on employment contracts in other branches.

The new law contains advantageous provisions concerning the employment of single handicapped pensioners looking after a dependent child.

Another major change is maternity grants to husbands whose wives cannot look after their child because of a long serious illness, the minister said.

The Federal Assembly later woundup its session which approved significant legal norms creating the legislative basis for the restructuring of the economic mechanism in Czechoslovakia.

The most important of these laws—on state enterprises, cooperative farms and on housing, consumer and producer cooperatives had been submitted for a wide public discussion. Over 100,000 comments, suggestions and recommendations had been made in the discussion.

Official on Scale of 'Shadow' Economy

AU2206135188 Prague PRACE Weekend Supplement in Czech 18 Jun p 3

[Interview with Eng Petr Krejci from the Office of the CSSR Government Presidium by Ota Reboun: "Long Shadows of the Economy;" date and place of interview not given; opening paragraph is PRACE introduction]

[Excerpts] Inquiries into the problems of the "shadow," "grey," "secondary," "parallel," or "black" economy are appearing with growing frequency in the West and, most recently, also in the Soviet Union and other socialist countries. An attempt to subject these phenomena to solid national economic inquiry has been made also in our country; they are now dealt with by economic researchers, experts in penal and civil law and in state administration, and by other specialists. We have asked one of them—Eng Petr Krejci from the Office of the CSSR Government Presidium—for an interview.

[Reboun] Why have so many attributes to the word economy cropped up all of a sudden? What is their content and meaning?

[Krejci] It is true that many different terms are being used and that their meanings have far from been standardized. Most authors have their own specific approach. However, all authors stress the growing importance of these phenomena and they all refer to them in unison as "economy." In other words, some sort of an economic activity—production, distribution, or exchange—should always be involved. Its shadowiness dwells in the absence of accurate information about it, in its hidden and frequently deliberately concealed nature. Nothing on its scale and on the forms it takes will be found in the statistics.

At the back of the mind, our general public identifies the categories of the shadow economy with economic crime. But when someone steals a sack of cement from his enterprise or rigs some accounting papers, it is no economic activity per se but plain criminal offense. From the erroneous identification of the entire shadow economy with economic crime also stem efforts at incorrect, exclusively repressive approaches to it—bans, restrictions, and punishments. Only one part of the shadow economy—let us call it the black economy—is illegal. But even here it is impossible to automatically equate illegality with uselessness.

[Reboun] In other words, you see something positive about the shadow economy?

[Krejci] The shadow economy is usually divided into two main categories—the aforementioned black economy and production at home, that is, the results of useful activity in the household. Instead of purchasing certain products or services, people obtain them through their own work. [passage omitted] A steadily increasing number of operations is performed at home. The average adult Englishman, for example (including both those who are and who are not gainfully employed), spends 21 hours a week in his paid job and 23 hours a week performing useful activity at home. Surprisingly, we are not such a do-it-yourself nation—the corresponding data for the CSSR are 28 and 14 hours a week. [passage omitted]

Although it is still neglected by science, production at home is an important source of individual and social wealth. The social sciences have not yet provided specific replies to questions that are connected with home production. Do we, for instance, want home production to thrive in the first place? Do we want people to be able to maintain and carry out routine repairs of consumer durables and avail themselves of the requisite equipment? Do we want the proportion of auxiliary agricultural production and gardening, of individual construction, and so forth, to increase? Is this more efficient than ensuring the development of such operations in the relevant enterprises? If we give a responsible and realistic answer to such questions, we may end up reevaluating all sorts of economic and social concepts and measures.

[Reboun] And what about the black economy....

[Krejci] Although it may sound paradoxical, one cannot deny certain positive features even in this illegal and deliberately concealed area. Frequently, the black economy is the sole substitution for the numerous inadequacies of our enterprises, as it is able to provide people with services that cannot be legally obtained. Institutions of the official economy often do not even dream of the workmanship, speed, and quality that is demonstrated by many moonlighters. [passage omitted]

From time to time some economists make an attempt to quantify some segments of the black economy. The volume of services procured from builders and repairmen, for instance, is estimated at Kcs9 billion, the annual volume of resources exchanged illegally for foreign currency at Kcs3 billion, and so forth. But these are only estimates, of course. Specialist economic press reports that in Italy, which is famous for its black economy, the black economy generates around 30 percent of "extra" gross domestic product, the equivalent of our national income. My impression is that the proportion in our country could be even higher.

[Reboun] Why?

[Krejci] In the capitalist states, the main and virtually only motive of the black economy is to hide income, to escape the tax officer. An extra factor is added to this in our country—the very intensive pressure caused by the inability of the prospective customer to proceed legally, even if he wanted to, because very often the requisite service is absolutely unavailable.

Many of us know in advance the answer they will receive in many workshops, offices of service enterprises that take orders, and other institutions: there is no capacity, ask in a year. But if you really want to have something done soon—have your apartment painted, obtain a tombstone, have a dental bridge fitted, a boiler attached, or an extension to your house built, you reach an understanding with Mr X. Although he is an employee of the same institution, he does have spare capacity, most of the time even during his normal working hours. That to which the management of some socialist organizations is willing to turn a blind eye—such as a sideline from stolen materials, during working hours, and with borrowed tools, machinery, or the whole workshop—is virtually out of the question in capitalist countries with their private owners. I will tell you a quite shocking estimate: When we compare today's value of individual construction with the official value of sales of the relevant materials and services, we can make the well-grounded estimate that at least a whole one-quarter of materials used in the construction of family homes comes from unidentifiable sources.

[Reboun] The black economy thus severely damages and impoverishes the economy and deprives the state of taxes. Is that the main problem?

[Krejci] All this is true but, no matter how great the direct economic losses, the most serious danger lies in the moral and political sphere. The black economy is, indeed, often connected with economic crime and, in Czechoslovak conditions, it is in its entire spectrum the prerogative of certain strata, professions, or ranks. Greater value than to the official wages is ascribed here to access to materials and tools, to uncontrollable private enterprise during working hours, to powers on which it is possible to cash in, and so forth. Such a climate is conducive to the deepening of disproportionate property differentials, especially in light of the virtual abolition of the inheritance tax. Even school and preschool children recognize very soon who is well off and who is not (clothes, toys, Tuzex, cars, holidays, and so forth) and even at this early stage the notions of a socially equitable social order and the requisite motivation for work receive sizeable cracks. I believe that it is here that the consequences of the black economy are most pernicious.

[Reboun] Wherein do you see the main roots of these negative manifestations?

[Krejci] We live in a period of a great global and structural imbalance. People and enterprises have money but the goods and services that are offered do not correspond to this. This opens tremendous scope for the black economy. Many things can also be blamed on the existing economic mechanism. [passage omitted] The very existence of a monopoly, for instance, encourages the owner to strive that his products and services are rare and inaccessible so that he can raise the bids and let himself be begged and bribed. [passage omitted]

[Reboun] How should we deal with these problems in our country, do you have some recipe?

[Krejci] First of all, we should strive to allow much of what forms part of the black economy today to be practiced legally. In the large cities, for example, hundreds of illegal taxi drivers are making their rounds night after night; evidently, there is interest in their services. Why then should we not make it possible for them—organizationally, on the basis of norms and sound economics—to drive legally? The national committees in some communities are turning down applications of individuals for authorizations to provide services, lest they compete with their own communal enterprises. Why should we not establish the practice that the argument that "the service is ensured in the locality" cannot be accepted as a reason for turning down an application? Let the number of those who want to render a service, sell something, and compete with one another increase. Such rigid approaches that play, in fact, into the hands of the black economy are plentiful in our country. Try, for instance, to negotiate with the travel agency the subletting of a room that you can temporarily spare to tourists. All the certificates and stamps that you will have to get hold of will deter you and you will rather find a lodger illicitly.

[Reboun] Many people would surely prefer the legalization of such activity, including a certain taxation, over today's fear of possible prosecution. And society would also profit, a greater interest in collecting these taxes provided. For the time being it seems as if they were an inconvenience....

[Krejci] In the GDR they collect every year over M3 billion, that is, an equivalent of over Kcs12 billion, from individual craftsmen alone, money that goes into the budget. In Czechoslovakia the entire tax on income of the population yields only Kcs80 million. It really seems that some national committees are not even interested in taxes, even though they represent revenues for their budgets. After all, the people who are moonlighters are known in most communities; no one can pretend not to know that private facilities destined to be permanently sublet to tourists are being built in tourist areas; and so forth. But it is apparently more convenient not to make enemies in one's community by requiring tax returns and to ask the superiors for subsidies for one's budget. I personally believe that we shall not be able to do for long without an independent financial agency for collecting and administering taxes from the population. However, it is also necessary to make sure that the tax modalities are simplified and that the tax rates do not act as a deterrent to the legalization of various activities.

One more recipe proffers itself in dealing with the problem of the black economy; it is connected with what has already been said here, with the elimination of all kinds of prerogatives and monopolies. Such a prerogative may be that someone simply has "opportunities": access to materials, tools, means of transport, and so forth. If we had more decently supplied do-it-yourself shops and rental offices, accessible to everyone, part of what is black economy would perhaps be transformed into desirable home production.

[Reboun] Are your conclusions and recommendations not still too vague?

[Krejci] Even the new economic mechanism could not be drafted without a thorough analysis of its predecessor. The situation in the shadow economy is all the more complicated as we are working with estimates and deductions and as the attempts in the socialist countries at its more serious analysis are still too few. Many things still need to be examined, we must collect information and experiences. Even that which outrages people most, that is, the various manifestations of the black economy, cannot be lumped all together and taken on with a single recipe—with more and new bans, more inspectors and investigators, more severe penalties. Only a well thought-out and mutually integrated set of economic, organizational, and legal measures can bring about changes for the better, also in the fields that we have discussed.

[Reboun] Thank you for the interview.

Impact of Reform on Labor Market Discussed

AU1606093788 Prague PRACE in Czech
14 Jun 88 p 3

[Interview with Stefan Karabin, candidate of sciences, director of the section of labor at the Federal Ministry of Labor and Social Affairs, by Jitka Skaloudova: "Everyone Will Have a Job"; date and place of interview not given; opening paragraph is PRACE introduction]

[Excerpts] The staff of federal and republican ministries will be cut by roughly one-third and additional employees are to be released from general directorates, in connection with the transition to two-tier management. We spoke to Dr Stefan Karabin, director of the section of labor at the Federal Ministry of Labor and Social Affairs, about their further employment.

[Skaloudova] As is known, central agencies are expected to shed roughly 6,000 staff and general directorates about 12,500. What is the deadline for these lay-offs?

[Karabin] The reduction of staff numbers will be staggered over a period of time and is to be completed by the end of 1989.

[Skaloudova] How many of these people will be given jobs in organizations of their own sector?

[Karabin] We estimate that around 1,800 employees departing from the central sphere and around 7,000 employees departing from general directorates can be employed by subordinate organizations within their own sector.

[Skaloudova] Which spheres of the national economy should the laid-off staff reinforce?

[Karabin] We anticipate that they can be used to accelerate the development of some progressive activities; for instance, to reinforce the pre-production and post-production capacities of production organizations, but also to efficiently accelerate the socially warranted development of some forward-looking activities of the tertiary sphere placing great demands on creative work. [passage omitted]

[Skaloudova] What sort of vacancies do national committees register?

[Karabin] Lists of vacancies can be obtained at district or municipal district national committees. In the second quarter of 1988, 150,000 vacancies were on record in the Czech SR and 51,500 in the Slovak SR. Of this number, approximately 35,000 vacancies statewide were for the category of technical and economic staff. The rest was accounted for by workers professions.

[Skaloudova] Vacancies for workers professions, which can scarcely be considered for the laid-off employees, thus clearly prevail. What kinds of jobs for the category of technical and economic staff are registered as vacant?

[Karabin] Demand for employees in intermediate-level economic functions prevails.

[Skaloudova] And what about the rest? People will be looking for jobs where they will not have to incur any pay cuts. That will surely be difficult?

[Karabin] You are right in that only 900 of the total of 9,302 vacancies for the category of technical and economic staff that were on record in Prague in the second quarter of 1988 were in qualification grades 12 to 15.

However, it is also true that many vacancies in the higher salary grades are not reported to national committees and organizations are filling them themselves. Besides, in the second quarter of the year some organizations were already saving vacancies for laid-off staff from their own sector.

[Skaloudova] Would these people have better chances if they were willing to work outside Prague and Bratislava (which, of course, is not easy as people have apartments here, children who attend school, and employed partners)?

[Karabin] Outside the capital cities, the chances of finding a job commensurate with one's qualifications are better. [passage omitted]

[Skaloudova] Will the opportunity be seized of filling jobs that are performed by people without qualifications with those who possess the requisite qualifications?

[Karabin] We do reckon with that. A relatively large proportion of employees really do not have the university education prescribed for the execution of their functions. In 1985, only 67.9 percent of staff in agencies directly supervised by the CSSR Government met requirements for university education [prescribed for their jobs]. In the apparatus of branch ministries the percentage was 82.5, at general directorates 76.8, and in enterprises 64.1. [passage omitted]

However, this substitution of cadres must be approached in a truly sensitive manner. [passage omitted]

[Skaloudova] Some jobs are filled with pensioners. How many?

[Karabin] A relatively large number of recipients of old age pensions are employed in the apparatus of central agencies and general directorates. We estimate this number at 1,300. In addition, there are around 2,200 persons who could claim an old-age pension. This does not mean, however, that we shall lay off all those with a claim to an old-age pension. Here, too, everyone must be approached individually, with the abilities of the employee concerned serving as the main criterion.

[Skaloudova] As has been mentioned already, many enterprises have been notifying national committees since the beginning of the year that they would reserve vacant jobs for laid-off staff. This gives rise to concern about the employment of this year's crop of university and secondary school graduates.

[Karabin] Organizations must sign up school graduates as provided for in their plans of needed qualified staff. On no account can we allow school graduates to remain jobless.

[Skaloudova] The right to work is one of the most important advantages of socialism, which we must protect. Are there no fears of unemployment in connection with the organizational restructuring of the national economy?

[Karabin] The restructuring of the economic mechanism proceeds from the premise of full but efficient employment. That is why enterprises will themselves determine the number of employees, according to their needs and possibilities of putting them to truly efficient use. It is therefore to be expected that they will not employ people whom they will not be able to efficiently utilize. The state, however, retains in its hands instruments to maintain balance in the labor force, so that there is neither manpower shortage nor manpower surplus. The basic prerequisites for this balance are to be established by the state 5-year plan. The plan will no longer secure the efficient utilization of manpower by means of itemization [of figures for individual sectors], but by means of economic instruments, primarily by means of price policy, levies, normative rules [normativy], including wage normative rules, and by creating contingency reserves for programs of cuts in working hours.

[Skaloudova] However, this balance will have to be continuously restored.

[Karabin] This will be secured by instruments for the routine guidance of economic development. In the event of surplus manpower, for instance, by slowing down the development of production or accelerating the growth of labor productivity compared with the state 5-year plan or by a financial contribution of the state, by means of deductions from levies, or by means of subsidies. The state can also stimulate the development of some activities, especially cost-effective exports or services. Given a flexible and efficient utilization of this mechanism, it should be possible to overcome in a sufficiently flexible way potential disruptions in this balance and to eliminate within a reasonably short time partial or temporary manpower surpluses.

Jakes Meets Pre-War CPCZ Members

LD2006151888 Prague Domestic Service in Slovak
0800 GMT 20 Jun 88

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, and other leading party representatives met in Prague today with pre-war merited members of the CPCZ.

Jakes Receives Warsaw Pact Commander Kulikov

LD2306152488 Prague Domestic Service in Slovak
1500 GMT 23 Jun 88

[Text] Comrade Milos Jakes today received Marshal of the Soviet Union Viktor Kulikov, commander in chief of the Joint Armed Forces of the Warsaw Pact states, and Army General Anatoliy Gribkov, chief of staff of the Joint Armed Forces of the Warsaw Pact states.

They discussed questions connected with improving the combat readiness of the joint armed forces and further deepening of cooperation between the Czechoslovak People's Army and the other armies of the Warsaw Pact states.

Participating in the meeting was Army General Milan Vaclavik, CSSR minister of national defense.

Cooperation Protocol With USSR Signed

LD1506133888 Prague Domestic Service in Czech 1000 GMT 15 Jun 88

[Text] Oldrich Sestak now speaks about the results of a session of the Intergovernmental Czechoslovak-Soviet Commission for Economic and Scientific-Technical Cooperation.

[Sestak] A short time ago, the heads of the two delegations, Aleskey Antonov, deputy chairman of the USSR Council of Ministers, and Rudolf Rohlicek, deputy federal premier, signed a protocol on the session.

Speaking at a press conference they said that the commission examined, above all, the present state of preparation of coordination of national economic plans between the two countries for the period 1991-1995, and also the progress of work on the Concept of Economic and Scientific-Technical Cooperation for 15 to 20 years and the increase in technical standards and in the quality of machinery and equipment which they deliver to each other. It was also agreed during the session that large scientific-technical and technological projects, including the development of special technological equipment, production materials and technology in various spheres, will be worked out.

The Intergovernmental Czechoslovak-Soviet Commission for Economic and Scientific-Technical Cooperation also set a schedule for the preparation of proposals to improve direct relations between enterprises in the two countries, including the development of new forms of cooperation such as price formation and the use of national currencies.

Chnoupek Receives UK Minister Mellor

LD2306171288 Prague CTK in English 1507 GMT 23 Jun 88

[Text] Prague June 23 (CTK)—Czechoslovak Foreign Minister Bohuslav Chnoupek received here today British Minister of State for Foreign and Commonwealth Affairs David Mellor.

The two representatives discussed the possibilities of the further development of bilateral relations and also several issues of the present international situation. In this connection they stressed the importance of the ratification of the Soviet-U.S. treaty on the elimination of medium- and shorter-range nuclear missiles for further disarmament. Both ministers spoke in favour of working out and approving final documents at the Vienna follow-up meeting and ending its session as soon as possible.

The Czechoslovak initiative to create a zone of confidence, cooperation and good neighbourly relations on the borderline between the Warsaw Treaty and NATO countries, which represents a contribution to the development of security and cooperation in Europe, was thoroughly explained during the talks.

David Mellor also had working talks with Czechoslovak First Deputy Foreign Minister Jaromir Johanes.

Talks Held on Border Issues With Austria

AU1606100388 Prague RUDE PRAVO in Czech 13 Jun 88 p 6

[CTK report: "Czechoslovak-Austrian Border Negotiations"]

[Text] Vienna—The Permanent Czechoslovak-Austrian Border Commission held its 26th session in Vienna on 6-11 June 1988; it discussed the fulfillment of commitments following from the treaty between the CSSR and the Republic of Austria on their common state border.

The commission discussed the technical documentation on the second joint inspection and maintenance of border signs and the survey of polygonal points [polygonove body], that was carried out according to plan by two mixed Czechoslovak-Austrian survey groups in the Vranov nad Dyji-Breclav sector of the state border in 1987. The border commission supplemented the program of survey work for 1988, particularly with a view to carrying out the essential demarcation work on the valid state borderline in sectors in which the water-economy regulation of common border waterways is planned. At the same time, it adopted measures connected with the water-economy regulation of the Dyje border river. The two delegations conducted their negotiations in an atmosphere of mutual understanding.

Strougal Receives Egyptian Industry Minister

LD2406174588 Prague CTK in English 1557 GMT 23 Jun 88

[Text] Prague June 23 (CTK)—Czechoslovakia and Egypt conduct a broad political dialogue whose results are reflected in the cultural and especially economic sphere, Czechoslovak Premier Lubomir Strougal and Egyptian Minister of Industry Muhammad 'Abd al-Wahhab said at their meeting here today.

Speaking about the state of economic and industrial cooperation, Lubomir Strougal pointed out that classical trade is not sufficient if joint actions are to be taken on third markets. He recommended to adopt a long-term program of cooperation which would meet the two countries' needs in both exports and imports.

Muhammad 'Abd al-Wahhab highly appreciated the level of cooperation with Czechoslovak industry and made several proposals which can help increase trade exchange.

Leaders' Appearances 14-20 June

AU2306135988 [Editorial Report] Prague RUDE PRAVO and PRACE in Czech and Bratislava PRAVDA and ROLNICKE NOVINY in Slovak from 15 to 21 June report the following public appearances of CSSR leaders (source, date, and page number of each report is given in parentheses):

Milos Jakes, CPCZ Central Committee general secretary; Gustav Husak, CPCZ Central Committee Presidium member and CSSR president; Lubomir Strougal, CPCZ Central Committee Presidium member and CSSR premier; and Alois Indra, CPCZ Central Committee Presidium member and chairman of the CSSR Federal Assembly; were among those who attended the first day of the joint session of the two chambers of the CSSR Federal Assembly in Prague on 14 June.

Milos Jakes paid a visit to the Zenit-88 exhibition in Prague on 14 June. (Both reports Prague RUDE PRAVO in Czech 15 Jun 88 p 1)

Milos Jakes, Lubomir Strougal, and further CPCZ Central Committee Presidium members—Ladislav Adamec, Peter Colotka, Jan Fojtik, Karel Hoffmann, Alois Indra, and Jozef Lenart; candidate members of the CPCZ Central Committee Presidium Josef Haman, Vladimir Herman, Miloslav Hruskovic, Frantisek Pitra, and Miroslav Zavadil; CPCZ Central Committee Secretaries Mikulas Beno and Frantisek Hanus were among those who attended the second day of the joint session of the two chambers of the CSSR Federal Assembly in Prague on 15 June. (Prague RUDE PRAVO in Czech 16 June 88 pp 1,2)

Milos Jakes, Lubomir Strougal, Ladislav Adamec, Peter Colotka, Karel Hoffmann, Ignac Janak, Alois Indra, Josef Kempny, Jozef Lenart, Josef Haman, Vladimir Herman, Miloslav Hruskovic, Frantisek Pitra, Miroslav Zavadil, Mikulas Beno, and Frantisek Hanus were among those who attended the last day of the joint session of the two chambers of the CSSR Federal Assembly in Prague on 16 June.

Milan Vaclavik, CSSR minister of national defense, and Vratislav Vajnar, CSSR minister of interior, were among those who saw off Lubomir Strougal departing for the SFRY at Prague Ruzyne Airport on 16 June. (Both reports Bratislava PRAVDA in Slovak 17 Jun 88 p 1)

Milos Jakes received representatives of the young generation at Prague Castle on 17 June in the presence of Gustav Husak, Ladislav Adamec, Peter Colotka, Jan Fojtik, Karel Hoffmann, Alois Indra, Ignac Janak, Josef Kempny, Jozef Lenart, Josef Haman, Vladimir Herman, Frantisek Pitra, Miroslav Zavadil, Mikulas Beno and Frantisek Hanus. (Prague RUDE PRAVO in Czech 18 Jun 88 p 1)

Miloslav Hruskovic attended and addressed the opening day of the Slovak Congress of the Czechoslovak Scientific-Technical Society in Bratislava on 17 June. (Prague RUDE PRAVO in Czech 18 Jun 88 p 2)

Lubomir Strougal gave an interview to Czechoslovak journalists before his departure from Belgrade on 17 June. (Prague RUDE PRAVO in Czech 18 Jun 88 p 7)

Miroslav Zavadil, candidate member of the CPSU Central Committee Presidium and chairman of the Central Trade Union Council (URO), met with young people in the URO building in Prague on 17 June. (Prague PRACE in Czech 18 Jun 88 p 1)

Miloslav Hruskovic attended the closing day of the Slovak Congress of the Czechoslovak Scientific-Technical Society in Bratislava on 18 June. (Bratislava ROLNICKE NOVINY in Slovak 20 Jun 88 p 1)

Milos Jakes met with prewar and merited CPCZ members in Prague on 20 June, with Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee; Ladislav Adamec; Jan Fojtik; Karel Hoffmann; Jozef Lenart; Frantisek Pitra; Mikulas Beno; and Frantisek Hanus present. (Prague RUDE PRAVO in Czech 21 Jun 88 p 1)

Gustav Husak received Frantisek Langer, the newly appointed CSSR ambassador to the GDR, in Prague on 20 June. (Prague RUDE PRAVO in Czech 21 Jun 88 p 1)

Peter Colotka attended a meeting of the builders of a hydroproject in Humenne on 20 June. (Bratislava PRAVDA in Slovak 21 Jun 88 p 1)

Miroslav Zavadil addressed the fourth plenary meeting of the Central Trade Union Council in Prague on 20 June. (Prague PRACE in Czech 21 Jun 88 p 1)

Honecker, Delegation Depart for Poland

LD2406093788 East Berlin ADN International Service in German 0740 GMT 24 Jun 88

[Text] Berlin, 23 Jun (ADN)—A GDR party and state delegation led by Erich Honecker travelled this morning to the Polish People's Republic. It is taking part in the fourth friendship meeting of the youth of the GDR and the Polish Peoples Republic, in Wroclaw. Additional members of the delegation led by the general secretary of the SED Central Committee and chairman of the Council of State are Egon Krenz, member of the Politburo and secretary of the SED Central Committee, and deputy chairman of the Council of State; Foreign Minister Oskar Fischer; Guenter Sieber, director of the International Relations Department of the SED Central Committee; Eberhard Aurich, first secretary of the FAJ Secretariat; Frank-Joachim Hermann, secretary of state and chief of the Chancery of the Chairman of the Council of State; Gerd Schulz, chairman of the Central Committee Youth Committee; Hans Sattler, director of the Office for Youth Affairs; and Juergen van Zwoll, GDR ambassador to the Polish Peoples Republic.

Erich Honecker is responding to an invitation from Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the Council of State of the Polish Peoples Republic.

Austrian Chancellor 15 June Press Conference

LD1506220988 East Berlin ADN International Service in German 1604 GMT 15 Jun 88

[Text] Berlin, 15 Jun (ADN)—At an international press conference in Berlin today Austrian Federal Chancellor Dr Franz Vranitzky paid tribute to his country's relations with the GDR. He also explained his government's intentions with regard to current political and economic issues. The federal chancellor stated that the prospects for his visit are at the same time the prospects for relations between the GDR and Austria.

Yesterday evening and this morning I had detailed discussions with the GDR state leadership, with State Council Chairman Erich Honecker, and with members of government. We discussed numerous individual topics. These talks could be divided as follows: an exchange of views, an assessment of international political developments, the peace initiatives of great interest to both sides, arms limitation, disarmament, and the international approach to these, as well as bilateral relations between the GDR and Austria.

He was presuming—and he was sure people would agree with him—the government leader said, that the present situation in Europe, as well as in other parts of the world, is regarded as a situation which is relaxing formerly rigid borders, confrontations, and fossilized attitudes. As a result of a series of agreements, especially over and above the two main political frontiers of the world groupings, there are very many joint efforts between East and West and an especially large number in economic policy.

He was thinking in this respect of West European integration. It is an important point which has considerably influenced Austrian policy. It is important for Austria, in view of the EEC's intention of "developing a common internal market" by the end of 1992, to plan the next step of integration for his country too.

We are also looking at this, however, from the viewpoint that we will continue to cultivate intensively our relations with the socialist states in Europe which have become traditionally well established in mutual trust over many years. He placed great value on the fact that no bias in Austrian economic and political relations should arise from its efforts for a new relationship with the EEC. Austria has always remained open to all political persuasions in Europe and will continue to be so in the future. He held a detailed discussion on this with Erich Honecker, Guenter Mittag, Foreign Minister Fischer, Foreign Trade Minister Beil, and other partners.

Austria welcomes the INF Treaty, the federal chancellor said in his introductory statement. Austria thus welcomes the ensuing climatic for further measures for arms limitation, disarmament, and the peace efforts. Apart from our military neutrality, we are also a country without nuclear weapons. At the moment we are host to the CSCE follow-up conference.

With regard to the talks within the framework of the CSCE process, Austria always cooperates with other delegations, and here the GDR delegation is one of the most important. The two countries have been successful in the past and have prompted talks time and again. This should also be the case in the future too, because it is his opinion that the consultations can be concluded in the foreseeable future, when he thinks about the next two conferences on conventional disarmament and on confidence-building measures.

On bilateral relations, especially in the economic sphere but also in the cultural and various other spheres, he said: We have trade which is probably greater than the actual size of the two countries would suggest. It is carried out and financed on the basis of bilateral agreements that are signed annually. We signed the first such agreement in 1987, and we have specific plans to prepare one for 1988 and to sign it after the summer, which means that the substance and pace of this bilateral trade will continue. Suitable measures will be taken for the extension of the tourism agreement between the two countries signed in 1987.

Meanwhile his government is considering measures, as the federal chancellor said, to further stimulate trade with its very good and esteemed partner, the GDR. Austria is prepared to make proposals to reduce tariffs in every place where they are considerable obstacles to trade—these are mainly customs tariffs—in such a way as to make GDR exports to Austria more interesting and easier for GDR suppliers.

Dr Vranitzky noted what he called the very competent and high-ranking delegation of Austrian industrialists in his entourage. The delegation has held important talks in Berlin, been received by Minister Dr Beil, and discussed numerous projects at length, about which he did not want to go into in detail. All in all, the visit is about the confirmation, safeguarding and documentation of a relationship between two states that has developed very well over the years.

I call that a relationship of very good and extended neighborliness, extended because our countries do not share a common border. And I am very, very satisfied and very pleased to be able to discern that the GDR side sees it the same way, so that a good basis exists for the flourishing extension of relations for the future also, Dr Vranitzky added.

Then he answered a series of questions from domestic and foreign journalists.

In answer to an Italian journalist's question concerning Austria's plans with respect to the EC and whether, in this connection, entry into NATO is planned, the head of government replied: In 1955 Austria decided on perpetual neutrality. We passed an act of parliament which made this neutrality an element of our constitution, and there is no political intention, of whatever hue, of relinquishing, diluting, or weakening this neutrality. On the contrary, we are very positively pleased to have this neutrality. In the past we have had good experiences with it, and we will maintain it in the future also. This neutrality should be understood thus: Austria is militarily neutral, and entry into a military alliance like NATO is out of the question and impossible. There is absolutely and categorically no intention and also no possibility and no desire to join NATO.

Another question concerned Austria's participation in the International Meeting for Nuclear Weapons-Free Zones. The federal chancellor noted in reply that the GDR state leadership informed him that worldwide there is great interest in this conference, and that very many participants have registered for it. That shows that the theme of this conference, namely the creation of a nuclear weapons-free world, is quite obviously being taken seriously by many countries and many peoples, and that this interest and this intention are shared. Dr Vranitzky said he shares this interest. He announced that a high-ranking representative of Austria and a political representative of his party will take part in this conference. Asked about the role of the smaller states in the process of disarmament, the head of government replied he believes in this respect that these small ones had undoubtedly a particular interest in peace movements and should and could make active contributions.

The federal chancellor declared that at the the Vienna CSCE follow-up conference there is a group of nonaligned and neutral states who are very active. In his view, the great agreement in this group that, in view of the progress in denuclearization, the military potential in the conventional field should not be built up, is important. He considered this an especially important matter of concern, since one would be just as dead, killed by a conventional weapon, as by a nuclear one. The neutral and nonaligned states can do a great deal here, and they will do it.

Asked by GDR television about the prospects of the Viennese CSCE follow-up conference, Dr Vranitzky replied that in his opinion opposing positions are being adopted quite firmly at the moment. He believes and repeated that in this respect the smaller, neutral and nonaligned states could assume a catalyst function.

Asked about new economic and business relations between Austria and the GDR, Dr Vranitzky answered that a long list of projects is in fact being negotiated. As is always the case with such lists, some projects are nearer to realization, while others are in the early stages-...the federal chancellor added that the working program before them shows the tendency, in contrast to the earlier concentration on large firms and big projects, of taking into account numerous smaller projects also. He considers this important since Austrian industry is also geared to middle-sized companies.

The federal chancellor stressed that the Leipzig Trade Fair is one of the most important places for meetings between Austrian and GDR industries. The possibility of using this setting more effectively than in the past has also been discussed in Berlin.

On the result of his visit to the GDR, the federal chancellor finally noted that he, as finance minister and before that as someone active in business, had had dealings with the GDR for many years. His past impression has been confirmed that the clear and sober calculation of what one wants here, of what one plans, of what one wants to carry out, of what one believes himself capable, and of what one can finance continues through to the highest level of the state leadership. In addition, he appreciated and acknowledged the very clear resolution of the GDR leadership in the field of making and of preserving peace, and the fact that this attitude is confirmed again and again.

Ugandan Deputy Prime Minister Meets Krolikowski

LD2306153288 Kampala Domestic Service in English 1000 GMT 23 Jun 88

[Text] East Germany has asked Uganda to increase coffee exports to East Germany to 5,000 tons annually. The request was made by East Germany's first deputy prime minister, Mr Krolikowski, at a meeting in East

Berlin with the first deputy prime minister, Mr Kategaya, who assured him that he would convey the request to the Uganda Government for consideration.

Earlier, Mr Kategaya delivered to Mr Krolikowski a message from President Museveni to the East German head of state, Mr Erich Honecker.

Mr Krolikowski said East Germany is happy with the friendly relations existing between Uganda and his country. He appreciated President Museveni's readiness to strengthen relations with socialist countries and stressed that East Germany is equally ready to strengthen ties of cooperation and understanding with Uganda.

Mr Kategaya briefed the East German official on the situation in Uganda. He said that except for a few places, Uganda is moving towards total peace in all areas of the country.

Later, Mr Kategaya and members of his delegation met the East German minister of foreign affairs, Mr Oskar Fischer.

Leaders' Public Appearances 9-15 Jun

AU1706161288 [Editorial Report] East Berlin NEUES DEUTSCHLAND in German from 10 to 16 June reports the following public appearances of GDR leaders (date of publication in parentheses):

Willi Stoph, chairman of the GDR Council of Ministers, received Nigel Broomfield, UK ambassador extraordinary and plenipotentiary to the GDR, and Zhang Dake, PRC ambassador extraordinary and plenipotentiary to the GDR, in Berlin on 13 June. (14 June, p 2) Willi Stoph received Janusz Komender, PPR minister of health and social welfare, in Berlin on 14 June. (15 June, p 2)

Werner Felfe, Politburo member and secretary of the SED Central Committee, attended a reception given by Nigel Broomfield, UK ambassador extraordinary and plenipotentiary to the GDR, in Berlin on 15 June. (16 June, p 2)

Oskar Fischer, GDR minister of foreign affairs, met with Hans-Dietrich Genscher, FRG minister of foreign affairs, in Potsdam on 11 June. (13 June, p 2)

Joachim Herrmann, Politburo member and secretary of the SED Central Committee, personally presented the Karl Marx Order to Gerald Goetting, chairman of the Christian Democratic Union of Germany, in Berlin on 9 June. (10 June, p 1)

Siegfried Lorenz, member of the SED Central Committee Politburo and first secretary of the Karl-Marx-Stadt Bezirk leadership, attended a meeting of the Karl-Marx Stadt Bezirk leadership in Karl-Marx-Stadt on 15 June. (16 June, p 4)

Guenter Schabowski, Politburo member, secretary of the SED Central Committee, and first secretary of the Berlin Bezirk leadership, addressed a meeting of the Berlin SED Bezirk leadership in Berlin on 13 June. (14 June, pp 1, 2) Guenter Schabowski attended the investiture ceremony of Dieter Hass, rector of the Humboldt University, in Berlin on 13 June. (14 June, p 2) Guenter Schabowski received members of the Joint GDR-USSR Commission of Philosophers in Berlin on 14 June. (16 June, p 2)

Harry Tisch, member of the SED Central Committee Politburo and chairman of the FDGB National Executive Council, conferred titles and medals on meritorious FDGB members in Berlin on 15 June. (16 June, p 6)

Werner Walde, candidate member of the SED Central Committee Politburo and first secretary of the Cottbus Bezirk leadership, attended a festive event to mark the Day of Railroad Workers in Cottbus during the weekend 11-12 June. (13 June, p 4)

Berecz Interviewed on Central Committee Session

Television Interview

LD2306205088 Budapest Television Service in Hungarian 1730 GMT 23 Jun 88

[Interview with Politburo member Janos Berecz by Janos Elek—live in the studio]

[Text] The most important news today is that the MSZMP Central Committee has held a session. Janos Berecz, Politburo member, secretary of the Central Committee, arrived in our studio a few minutes ago directly from the meeting; Janos Elek will now discuss the Central Committee session with him.

[Elek] I wish you good evening. Allow me to ask right away why you have arrived here so late. What took so long?

[Berecz] The Central Committee session ended at 1910 [1710 GMT]; I had to exchange a few words with the committee that the Central Committee designated to finalize the communique, and after that I rushed here. On the stairs, I was cautioned to go up calmly and slowly so as not to be out of breath, because otherwise I could be hard to understand.

[Elek] Obviously there is no such problem. According to the preliminary communique, today's Central Committee session had three key words: the elections, openness, and the task plan. Did you keep to this schedule?

[Berecz] Yes. Well, the first issue was the discussion and adoption of a task plan, which I recommended to the Central Committee on behalf of the Politburo. This task plan contains the tasks stemming from the party conference's standpoint with regard to the Central Committee. For this reason it was long, extensive. The first part, which contains the Central Committee's tasks, consists of 29 points, 14 or 15 of which are recommendations to the government, and we recommend some points to the social organizations as well. Therefore, we discussed this.

It was a bit of a surprise to me that there were 13 contributions within the framework of this agenda, and in the end I understood that the Central Committee's members take very seriously the party conference which elected them, and they take it very seriously that the task plan must be implemented by the 14th congress. For this reason, they made contributions and proposals and they proposed rewriting; so this debate was very serious.

[Elek] This was the first Central Committee session since the party conference, which brought great changes and promises even greater changes. Let us recall that last year there was a program of resurgence [kibontakozasi], then there was a program of stabilization [sztabilizacios], and now there is a new program—let us call it that—labeled a task plan [feladat terv]. What is different, what is new in this?

[Berecz] Interestingly, the proposing speech, and the contributors as well, raised the question of whether this was too much. We cannot disregard carrying out last year's programs, since the national party conference's standpoint also states that it does not prescribe special tasks in the economy, as the implementation of the program of stabilization is the key issue. All the others serve the objective of our realizing this stabilization program.

However, the stand was taken on whether this is too much—no it is not too much; it must be done, because otherwise life will pass us by. We must run a race against time, and against the tasks, as well, and enough energy must be summoned for us to carry out both the stabilization program and the task plan, which has been adopted as a supplement.

I would like to add that we will release the task plan in party life, and we will send it to every base organization so that they can inspect, virtually item by item, the standpoint and the task plan to see whether they coincide, how they coincide, and what must be done.

[Elek] In this affair, is it specified what is obligatory and for whom?

[Berecz] Yes, by name, by naming the departments, and by the naming of the departments by the members of the Politburo or Secretariat, and we emphasize that this is the Central Committee's task plan. So there is no stipulation regarding regional party organizations or base organizations. He who is clever will learn from it.

[Elek] This means that according to this, the 10-plus points, which you mentioned were determined for the government, in point of fact are a recommendation.

[Berecz] A recommendation.

[Elek] It is obligatory for the Central Committee, itself, and it is in the form of a recommendation to the government.

[Berecz] Yes.

[Elek] Would you give at least one or two of these points, ones which would be of greatest general interest?

[Berecz] The working out of the long-term economic policy concept can claim the greatest general interest, and we decided that there should be two work groups. We proposed to the government that it should form its own long-term economic policy, and at the same time, there should be another work group in the Central Committee. The Central Committee should collate them; we should be pleased about things that coincide, and we should debate thoroughly things that differ. Therefore, the alternatives are already under way.

[Elek] Just one more question relating to this point. Please tell us in a word: What is characteristic of this package deal? Continuity or new departure?

[Berecz] Well, this was mentioned in the opening speech, too, that along with continuity now the emphasis must be placed on new departure, on renewal. The basis is what we have achieved and all things that need to be revoked must be revoked and all things that we know must be renewed, and for whose renewal we have strength and possibility, must be renewed.

[Elek] Renewal. One of the agenda points of the Central Committee session today concerned openness, the openness of the work of the leading organs of the party. If I am correct, this means or may mean criticism of the previous period or it may mean that what has been before is no longer sufficient. Am I mistaken?

[Berecz] Both. I would say that this means the self-criticism of the past too, not only its criticism, because we have all had roles in the past, but it also means that it is our duty to work and to inform public opinion in a different way. (?For the first time) the relation to full openness plays a role in the working plan of the Central Committee, the kind of press policy the party should have. However, as a first step, we had to deal with the openness of the leading organs of the party. We are talking principally about the work of the Central Committee. Regarding the Central Committee, we chose the solution according to which we will publish not only the keynote speeches, but we will provide detailed information on the debate, too, and finally, we will publish the resolutions—depending on their size, volume, readability, or difficulty of style—in some form.

[Elek] Where and when?

[Berecz] Either in dailies immediately or in PARTELET, TARSADALMI SZEMLE, or in the secretarial bulletin which is distributed to all basic organizations and they can gain information. What's more, a summing up will be given in NEPSZABADSAG. We shall give briefings for the press and if we consult on issues of public interest, the NEPSZABADSAG will provide—shall we say, a week in advance—information on the content of the report. It will not be a word-for-word report because it is up to the members of the Central Committee to decide whether to adopt it or change it. But we shall give information on the content in advance.

[Elek] You have just said that we provide information. Who provides it and when?

[Berecz] Yes. Information. This too was discussed. All leaders and leading groups have a duty to provide information. Politics should have a face, decisions should have a face and those behind the decisions should say—whoever is responsible for it or even if he is not responsible for the decision but is a part of it—why such a decision was made, what the decisionmakers had in mind, and what alternatives there were. However, in addition to this, we shall create the post of spokesman-coordinator—an ugly title, a difficult one, we shall find something more precise—within the Central Committee. Our view is that since all must be given information, it cannot therefore be the monopoly of one man. However, there is a need for one man to either provide the information or to organize the provision of information by the competent officials, and this official should make a statement, appear on television, in the Newsreel program. In other words, we intend to deal with this issue in a very wide-ranging way but via a responsible leader.

[Elek] I admit that to a degree I myself know the answer to this question, to speak frankly, but I would still like to hear your reply: Why did you have to effect this change now? After all for a long time—we, too, have spoken about this before, precisely in a Newsreel program, after a past Central Committee session—ultimately, the communique was an accepted routine, although not a proven one. I, for one, think that for the record, for the strong, for posterity, for retrieval, this will surely remain. However, my view as well as those of many others is that this communique did not necessarily address the audience, in the language of the audience. I sense from what you have now said that in this regard a fundamental change may be expected, although I still do not know precisely the format in which this will appear. So you have now come to us several times—I cannot say that this is the first occasion—and informed us immediately about what happened in the Central Committee session. Will it continue this way; and there are papers, the radio—how will they link up with this process?

[Berecz] Well, as regards the question of why now, it is because the party conference has renewed the leadership and demanded that we should strengthen and develop the public character of the work of leading organs. There was debate also on the question that we should not attach any attributes to publicity, that something is either public or it is not. In other words, that we should not say better, improved, or more publicity, but that there should be openness. Naturally, it was also discussed that the Central Committee may have internal decisions which it keeps to itself for a time, until they are implemented, and thereafter publishes them. Thus, there is also a requirement for internal information.

So what will there be? We intend to keep the communique. First and foremost because it is necessary to register what has happened, how it happened, what positions were adopted, and how. What is new is that the Central Committee sends out an ad-hoc editorial board selected from among its own members—the Central Committee elected them today.

[Elek] This is something new, isn't it?

[Berecz] Yes, it is new. The Central Committee elected this board; so it is not some sort of secretariat or politburo, but the Central Committee always assigns a board. On this occasion, for example, it delegated seven people who deal primarily with these topics in the Central Committee, and tomorrow they will finalize the communique with full responsibility. It also contains the information of where certain documents will be published. In other words, this will be specified and it will be possible to look them up. Further, it contains also those decisions which are not concerned only with political matters but other issues as well.

[Elek] Can we say that the principle which has been voiced for some time—namely that nothing is secret that is not a military secret relating to the national economic interest; that is, that everything else can be published—will be true also regarding the internal life of the party?

[Berecz] Yes, though it must be added that, for example, when it comes to the work of the basic level organizations, then we must endeavor to ensure that first and foremost the members of the basic organizations, of the party, should become acquainted with the information, though this will not be secret to the wider public either.

[Elek] That is what the party paper is for.

[Berecz] Yes, the paper will report on it.

[Elek] Now, since we are talking about openness, it is natural for me to ask the following question. The city is full of talk that personnel matters were also discussed or will be discussed. We know, not least from the general secretary of the party, that the personnel changes will be followed by more personnel changes; I do not know whether these questions were discussed today, or if so, what these discussions were about, how long they lasted.

[Berecz] The real surprise would be if personnel questions were not discussed now and if the Central Committee were not to put forward recommendations to the National Council of the Patriotic People's Front on the one hand and the Presidential Council on the other, relating to certain personnel matters.

This comes about partly because the party conference, in the course of renewing the leadership, expressed practical criticism in relation to certain leaders. Those who were omitted from the Central Committee considered quite rightly that they would not continue their activities in other areas either. The question is often asked: What is happening with Comrade Lazar, as he is never mentioned? Nor is he mentioned in the communique which is being prepared on today's session. Well, he immediately retired; after all, he was not reelected as deputy general secretary of the party.

There has been a change regarding the others' situation as well; they asked to be relieved in the areas where they had been working, and decisions had to be taken regarding our recommendations for filling these posts. From another aspect, the general secretary and head of government has promised that he wants to work as head of the government until he completes the task he took on, partly where organizational matters and partly where personnel matters in the government are concerned. Thus, these matters were also discussed.

We also had to look at the question of the nominations for the Budapest post; this is not within the sphere of authority of the Central Committee but it has no objection to the nominating commission's putting forward what it has prepared so far regarding the person to fill the post of first secretary of the Budapest party committee.

[Elek] May I ask in this case, what is the decision on this matter?

[Berecz] The nominating commission informed us that, though many names had been mentioned in the course of conversations with the party committee members, a large majority mentioned two persons, namely Pal Ivanyi and Mihaly Jasso. We agree to there being two candidates, unless, of course, a third candidate emerges at the session.

[Elek] If I am right—I am not sure I am correctly informed on this—the leading body of the party has decided that in the future it will change its information practice even with regard to nominations that are not the internal affairs of the party—that is, not only with regard to party functions but also with regard to recommendations for state and government posts, that it will not wait for the complete decision. Am I mistaken?

[Berecz] After a small debate, the Central Committee decided that it would always publish its recommendations as well. Thus, tomorrow afternoon the communique will contain all the names of persons the Central Committee considers suitable for various functions and is recommending, in part to the National Council of the Patriotic People's Front and in part to the National Assembly or the Presidential Council.

Why was there a small debate? Because we are also led by the esteem we must feel toward the National Council of the PPF; after all, it is a sovereign body. Before, if we published our recommendations, it would have seemed odd if it then adopted someone else. In my view, if it were perhaps to add to one recommendation or another, this would show the functioning of democracy and would not amount to a criticism of the Central Committee. These are recommendations; we ask it to accept them.

From another aspect, the National Assembly has to decide on some matters in a secret vote; various suggestions can come up there as well. At any rate, the Central Committee will publish its personnel recommendations tomorrow.

[Elek] Is it a long list or a short one?

[Berecz] It is a relatively long list. There is a change at the head of the Agitprop Department of the Central Committee; Comrade Erno Lakatos will be given another, important state post and the Central Committee elected Comrade Jeno Andics to be head of the Agitprop Department. Also if you consider it, recommendations have to be put forward regarding the president of the Presidential Council, the president of the National Assembly, the deputy president of the Presidential Council, with regard to certain changes in the government, and so on. How long have we been speaking about the need to appoint a minister of state.

[Elek] Would you tell us a few names? After all, the session has ended. As you have said, the principle is that the party no longer wants to keep these things secret, so whom did the Central Committee recommend to be the president of the Presidential Council, or to be minister of state?

[Berecz] All right, I shall reveal one or two, but let us leave the rest to the communique, which will come out tomorrow; tomorrow only verbally but the day after in written form as well. The Central Committee recommends Bruno F. Straub to be president of the Presidential Council. One has to take into consideration his great intellectual prestige and the fact that he is a National Assembly deputy. The Central Committee recommends Imre Pozsgay, secretary-general of the Patriotic People's Front, for the post of minister of state.

[Elek] Many people will read this list with great interest. I will not ask about it any more, but, as far as I am aware, there was another point on the agenda, and although our time is running out, I would like to ask about it. What is the essence of the election law and its modification?

[Berecz] The national party conference adopted an entire list from the viewpoint of the tasks of administering justice; and now on modifying the election law. We will release it in several parts. The alternatives have remained in several parts; it is not the Central Committee that should decide that, but there should be a national debate, we should recommend...

[Elek, interrupting] More possibilities and recommendations.

[Berecz] More possibilities. There are some key issues in this. One of the key issues is nomination. It is here that democracy gets under way and is tested. The key to nomination is that those who take part in nomination in a constituency should be the ones who will vote. So each plant should nominate its deputies, rather than having them nominated for them.

Therefore, there should be various methods for the electors to nominate deputies, and then, with regard to whether the National Assembly and the council elections should be simultaneous or whether they should be separate, i.e. separate elections for separate politicians, they should accept it. Those who must work with it, the apparatus, would like it to remain as one election. However, the National Assembly election differs essentially with regard to content, where national policy is the issue at hand, while the main issues of council elections are whether there are goods, if there should be a sidewalk locally, if trees should be planted, how to protect birds, whether to build a health home. Therefore, the two should not be mixed. There are alternatives in many such affairs. The Patriotic People's Front will outline them to the country's public opinion, and ask for opinions.

At the next session, we wish to deal for example with the jurisdiction that guarantees and regulates the freedom to assemble and form associations. So we are endeavoring to quickly fulfill the standpoint of the national party conference.

[Elek] Since you have mentioned it, allow me to pose the final question, a personal question, in fact. Was the first Central Committee session after the party conference different from earlier ones?

[Berecz] It was different. It was more lively. It was fresher. Contributions were made there; there were questions—so the Central Committee does not just want to be a knowledgeable body, but also a decisionmaking body. I saw the resolute intention of its members. There were some who went out as many as four times, who asked questions on various agendas, saying: I do not understand exactly, I cannot decide if you do not explain this. So it was freer, lighter, but at the same time more responsible.

[Elek] We hope that we will learn much about this in the future, in the form of such, or similar, conversations, and convey it to newspapers, in a readable form. I think that in politics, too, beyond the session, this must filter through to the everyday, to the practice of everyday.

[Berecz] That is how it will be. It is not just our obligation, but our task.

[Elek] Thank you, and thank you for coming here immediately after the session.

Radio Interview

LD2306225688 Budapest Domestic Service in Hungarian 2000 GMT 23 Jun 88

[Studio interview with Janos Berecz, member of the Politburo and secretary of the MSZMP Central Committee, by Attila Balint—live]

[Text] [Balint] Janos Berecz, member of the Politburo and secretary of the Central Committee, has again undertaken the immediate provision of information for public opinion and the press; the Central Committee session ended around 1915 and by 1930 he was sitting in front of the television camera. Now, shortly after 2200 he is telling the radio listeners what happened at the session today.

A month has passed since the national party conference. This has been sufficient time to formulate—commissioned by the Politburo—a series of proposals, a series of tasks, to sort things out after the party conference.

[Berecz] It was frequently raised at the party conference—a motion was even submitted—that deeds and words should match each other. In order to create something it is not sufficient to just say: Read it and fulfill it. All institutions, including the Central Committee, must sum up their own tasks. The first and largest part of this plan of action is the kind of issues with which we want to deal in the coming period, the kind of things we want to study, what issues we have to act upon, where we have to advance.

[Balint] Which are the most important questions? Have these questions, solutions, and tasks a deadline, and is somebody, somewhere, personally responsible for them?

[Berecz] Someone is personally responsible for all tasks. He is a Politburo member or secretary of the Central Committee. If not, then a competent Central Committee department is named. On occasion it may be more than one department, and all have deadlines. Regarding the party—well, in a different connection it has already been raised that the party conference asked, demanded, proposed—everyone can choose the word he likes—that we should review the past 30 years, that we should come to appropriate conclusions, and if needed, we should rework the program declaration.

A large proportion of this task must be carried out by the 14th party congress. This is one thing. The other is that we need another statute. The election system within the party at all levels must be fundamentally changed. There is a need to deal with the basic organizations, because they are at the center of the party. If we say that the party's leading role must become dominant in a new way then we must define the place of the apparatus. Until now the apparatus—if this was needed—was also an institution exercising power. It must be kept away from power; its only task, its main task, may be to serve the leading organs. Still, it needs definition, and what's more, it is possible that the Central Committee's apparatus will have to be reorganized so that it is not parallel to the state organs.

[Balint] Will major issues—to use this phrase—play a role in this task plan?

[Berecz] There is a point in it dealing with the formulation of the longer and shorter term concepts of economic policy. There it is particularly listed that the party should have an employment policy and a social policy. This does not necessarily have to coincide with those of the government, because the government must start out from what there is; it cannot distribute more. We must take as a point of departure the things we aim to achieve. This must be coordinated with the government, and if necessary the government should be pressured to manage better for the benefit of social policy. We spoke about this, especially about whether we need to work in parallel with each other. In some areas we must work even if we overlap, undoubtedly; we must study the law of association. If the National Assembly adopts it in the fall, then with regard to the law of association, a whole series of conclusions must be drawn from the viewpoint of political work. On the other hand however, we must study in practice the effect of this law and if necessary warn the government about certain new features.

[Balint] You mentioned that today's session of the Central Committee accepted recommendations. These recommendations pertain in part to the government, in part to social organs. Obligatory resolutions were not created for even the party's base organizations. How is this so? Is the Central Committee more lacking in energy, or is this another work method, another style?

[Berecz] The Central Committee should be at the vanguard primarily by its own example, its work tempo, its acceptance of tasks, its acceptance of responsibility. It should virtually suggest—within the party—this style, this atmosphere, and—if you please—it is not necessary to stipulate to a county committee how frequently it should meet in session and what it should deal with. If people there are preoccupied with other things, they should deal with them. They accept the region's political responsibility, and the council accepts the state responsibility; they are the ones who should decide. Why should the Central Committee have to determine what a base organization in a plant or a university should deal with? It must put forth the direction, and its own example, its spirit, its atmosphere, and the contents of its standpoint. They must choose, decide, and work on the basis of their own responsibility. They must give an account in part to their own membership, and in part in an upward direction to other party organs.

[Balint] May I say that we are now between two elections in Hungary?

[Berecz] That is so. One of the elections is what we have decided now and the other election is what we shall face in 2-3 years' time.

[Balint] In that connection, you have discussed a submission which also contains a criticism of the most recent elections, I believe.

[Berecz] I would not so much say that it is a criticism, but I would say that it contains the lessons. We did not consider it to be a perfect law, on the basis of which we held the National Assembly and local council elections in 1985. Even then, we went into the whole thing with the thought that experience should be acquired, since it was necessary to try out dual- and multi-candidacy, and other things, too, and we had to sum up the lessons.

The Central Committee received a summary report then, with the point that when it approached the next elections it should genuinely and seriously broach the modification of the election law. Now the Central Committee has adopted its guidelines.

It even kept the alternatives in the proposal so that it should not be the Central Committee which decides but that the Patriotic People's Front should submit it to national debate, and on the basis of the debate the government should draw the conclusions. If it were to reach conclusions which were in contradiction with the Central Committee's standpoint then the competent Central Committee secretary would come back with it. If not, the government would elaborate it and submit it to the National Assembly, which in the final instance would modify this law. The National Assembly is also a topic of the law.

[Reporter] What are the new elements? Would you mention just one or two of them? For example, the most exciting question is who, in the view of the Central Committee, can nominate a deputy.

[Berecz] Earlier, when nominating meetings were held at factories, obviously on the whole it was the workers of the enterprise—about 80 percent of whom lived in a different electoral district and thus voted for a different candidate, one who was nominated by a different factory's workers—who nominated deputies. In cities this is certainly a problem, therefore we must endeavor to ensure that those who do the nominating will eventually cast the votes. It must also be ensured that individual citizens are also able to submit recommendations.

[Balint] So you or I will be able to get up and submit recommendations?

[Berecz] No, in the form of a letter, one can submit recommendations by post. The committee in charge of the nominations will have to take these recommendations seriously and will have to submit them at the nominating meetings.

Another matter is that in our opinion it is necessary to separate the election of deputies from the election of local councils. The deputies were told about the need for a sidewalk in this or that street; this is not the business of deputies. On the other hand, candidates for the local council were told about the need for an electoral law, council law, and so on. These must be separated from one another. This does not mean that it is not necessary to deal with local questions when electing National Assembly deputies, but they should be ones with national relevance. In contrast, the council elections must deal expressly with local politics and those people who best represent these areas should be elected.

[Balint] Since we are talking about elections, let us go on to personnel questions. I believe that these were also discussed at today's session of the Central Committee. The question obviously follows: As the Central Committee usually accepts recommendations for filling various state and other posts, does it endorse these recommendations now, in the first round, or will we have to wait until the decision has been reached to learn whom you recommended?

[Berecz] The Central Committee either elects or agrees with the nomination in its own sphere; that is, when the election is for a party post. For example, in the case of the first secretary of the Budapest Party Committee, it is not the Central Committee who decides who should fill the post; rather, it agrees to the nomination of two or three persons, whatever number, recommended by the nominating commission. In the present instance two people are involved; the Central Committee expressed no objection to their nomination. But if a third or even fourth person should emerge at the session of the Budapest Party Committee there would be no objection to this. Thus, there would be no need to convene the Central Committee. It has merely taken cognizance of the nominating work so far.

[Balint] Those nominated are Mihaly Jasso and Pal Ivanyi.

[Berecz] Yes, they are the candidates. Both NEPSZABADSAG and ESTI HIRLAP have written about this. The Central Committee has relieved Comrade Lakatos, the head of the Agitation and Propaganda Department, from his post because he is to fill another important state post, and elected Jeno Andics, the deputy rector of the Political Academy, as head of a Central Committee department. So these are decisions or instances where recommendations have been taken and accepted. On the other hand, the Central Committee makes recommendations in relation to state posts, first and foremost because the National Council of the Patriotic People's Front must also adopt a position on these—that is, in these cases joint recommendations are involved, and, from another aspect, the Central Committee puts forward recommendations to the National Assembly or the Presidential Council.

Now, partly as a result of the party conference, there are a number of personnel recommendations relating to state posts, particularly the Presidential Council, the leadership of the National Assembly; four or five deputies elected on the national list asked to be relieved, and the Central Committee is putting forward certain recommendations in relation to these matters.

[Balint] Could we hear about two of these? Let us say, for example, whom the Central Committee has recommended for the posts of president of the Presidential Council and president of the National Assembly.

[Berecz] What provided a problem for the members of the Central Committee—and previously the Politburo also discussed this question—was that the recommendations should not really be published because, after all, the National Council of the Patriotic People's Front is also a sovereign institution and the joint nomination is determined in the discussions between the two institutions. If we publish the recommendation, the National Council must not regard it as compulsory. I hope they will not regard it as so. On the other hand, everyone is talking about it, foreign radios might mention some name or other, and then our public feels outraged about our keeping it secret. We are not keeping these things secret, we merely want to respect the independence and sovereignty of other institutions. We discussed the matter and the Central Committee decided that we would publish our recommendations tomorrow, despite the fact that the National Council of the Patriotic People's Front meets only on Monday. We are asking for their understanding and if their opinion is different, then let them say so, this is not a compulsory recommendation.

Since Comrade Karoly Nemeth has asked to retire, the Central Committee is recommending Bruno F. Straub for the post of president of the Presidential Council; I trust that the Patriotic People's Front will also accept him. We are recommending Istvan Stadinger for the post of president of the National Assembly, since Comrade Sarlos has asked to retire. He can carry on his activities in the National Assembly; I hope that the body will find a place for him.

[Balint] Is this a long list?

[Berecz] Well, it is long enough, because there is a recommendation for a minister of state, so other changes are also involved.

[Balint] We have heard in the television Newsreel that Imre Pozsgay was recommended for the post of minister of state.

[Berecz] Comrade Grosz has stressed that he wishes to fill the post of government chairman until he has reorganized the government structurally and can hand over the government after renewing it in personnel terms as well. He raised suggestions in this sphere as well, and the Central Committee is supporting him.

[Balint] The Central Committee has discussed, precisely on the basis of your submission, the information that should be published regarding the work of the leading organs of the party. In other words, you have discussed the question of openness inside the party and also with regard to public opinion. I think the question logically follows: If we are to compare this meeting and the communiques that preceded it with those that will be issued with the next Central Committee session, what difference will we find?

[Berecz] First of all, we will ask the press, the radio, and television to report the beginning of the session—television and radio could give a live relay of the opening of the session, showing how the members of the Central Committee convene, they could show the beginning of the session, then they could report more of the substance of the debate, naming individuals as well. Moreover, we shall organize matters so that Central Committee members putting forward very interesting, important, or contradictory contributions should appear in public, they should give television or radio interviews, explaining why they said what they said, why they hold a certain view, why they support the joint decision—if they support it—or why they maintain their opinions, so we will give voice to the minority views as well. Besides this, the Central Committee has decided that we shall found the institution of spokesman-coordinator. Spokesman-coordinator because he should function as spokesman as well, but giving information is not his monopoly; the provision of information is the task of the members and the secretaries of the Central Committee as well. However, he should organize this, so as to avoid clashes, and so that they should appear in more than one place, and other Central Committee members should also appear, not only the same two or three, because you people always select two or three, because that is more interesting.

[Balint] That depends on who is willing to talk to us.

[Berecz] All the 108 will have to be organized to give interviews and outline their views.

Budapest Party Nominating Procedure Described

AU2306185388 Budapest NEPSZABADSAG in Hungarian 22 Jun 88 p 4

[Interview with Ferenc Szkokan, chairman of the Nominating Committee and first secretary of the 11th District Budapest MSZMP Committee, by NEPSZABADSAG reporter Gy. Cz.: "Whom Will the Nominating Committee Nominate as Budapest First Secretary?"—date and place not given]

[Text] The Budapest MSZMP Committee recently set up a nominating committee to nominate a candidate or several candidates to replace the present retiring first secretary, Ferenc Havasi. We asked Ferenc Szkokan about the way in which the committee has carried out its activity and whom has it nominated as first secretary of the Budapest MSZMP Committee.

[Szkokan] We have received a new task, since previously we at the Budapest Party Committee have not used this method to fill in a vacancy. We try to gather opinions and proposals from the largest possible area.

[Gy. Cz.] Who are the people that you have asked?

[Szkokan] First of all, we certainly talked with the members of the Budapest party committee. Then, we held talks with high party activists, such as first secretaries of the Budapest district party committees and with heads of department at the Budapest party committee. The majority of them emphasized that they had discussed the issue with communists living in their area and with managerial staff in enterprises and institutions. They virtually voice these people's opinion on the matter.

[Gy. Cz.] How did you evaluate the scores?

[Szkokan] We judged by points. We listed all the candidates according to the frequency with which their names occurred during the talks.

[Gy. Cz.] Who was nominated by the majority of the activists?

[Szkokan] Mihaly Jasso and Pal Ivanyi received the most nominations—that is, now we present two candidates to the party committee. We think that the members of the party committee also agree with it, because during the talks each person mentioned more names than that of his own nominee. The party committee will make a decision on Monday.

Nyers on Pluralism, Reforms, Personnel Changes

AU2306163088 Budapest MAGYAR HIRLAP in Hungarian 18 Jun 88 pp 1, 5

[Interview with Politburo member Rezso Nyers, adviser at the Economics Institute of the Hungarian Academy of Science, by Ilona Kocsi: "Bipolar Reforms—Pluralism Is Part of Democratic Decisions"—date and place not given]

[Text] The major personnel changes were the greatest surprise of the recent MSZMP national conference. The fact that Rezso Nyers, the "father" of domestic reforms, has returned to the Politburo is considered to be of epoch-making importance and a guarantee that reforms will continue. In the following interview, we asked Rezso Nyers about these personal changes. But this interview also deals with the strong voice of the minority along with the opinion of the majority in politics, and the fact that one who opposes a decision is not necessarily an opposition member.

[Kocsi] You have become a Politburo member again after 14 years, and this convinced many people that the political leadership had really committed itself to following the path of reform. Do you agree?

[Nyers] It is indeed of serious political importance that the people who have now become members of the leadership or have returned in the leadership are not directly responsible for economic policy and the general policy of the last 10-15 years. Thus, they do not have to break with their own past. In democracy, this is a natural political change. In Hungary, this is still a little unusual because since 1948, Hungarian society has not been used to such political changes. Hungarian society has already forgotten its own past because this type of change was quite natural between 1945 and 1948.

In fact, it is the need for political change that brings about personnel changes and not the other way round. People who did not commit themselves earlier to the wrong direction are now able to turn the government helm in another direction. Of course, this does not mean that everything that has been done so far was all wrong. But now the party must conduct a different policy, and a change in economic policy is needed too. All this requires a different attitude on the part of the leaders of our political institutions. Of course, it can also happen that the same person can change, and there are many examples of this. As a whole, however, most of the leaders who take up these important jobs in such hard times should not do so on the basis of continuity. In principle, this is the guarantee of change; as for the implementation of these changes, this depends on firm and expedient activity.

Political Confidence [subhead]

[Kocsi] You already mentioned the importance of breaking with the past. But you have also mentioned the fact that, so far, there was never any real intention to make such a change and there has not been enough strength to face the mistakes. Are there no more such obstacles today?

[Nyers] At the party conference, close to 1,000 delegates, representing several hundreds of thousands of intentions, decided to carry out a political change. I said earlier that breaking with the past is difficult. There are two reasons for this. One, each leadership finds it difficult to decide on such changes, because, in this too, it has to face its own actions critically and analyze the effects realistically. Then, all this needs more than dissatisfaction, namely the concept of the possibility of a different solution and a different policy both on the part of the leaders and the people. All this represents a scientific examination of the society's processes, an examination that involves a lot of work which has to be carried out by objective experts. They must be backed by political intention and a certain amount of self-confidence which accept the risk that the political leadership might not get back its previous self-evaluation. Two, it is also difficult to implement this break with the past because this requires a change toward economic and social processes. I feel that mentally we have already made this change, and we have already overcome the difficulty of making a decision; all that remains is the difficulty of implementation. And this depends on the entire society! Although people feel and know that things will have to be done differently from now on, which will affect their own lives; in practice, however, there will be more difficulties at the beginning of this process and there will be few immediate results. Low efficiency has become part of the economic and social processes and part of our everyday life. The same is true of the social compensations for economic difficulties, and of a leadership routine that disregards several factors: Either it degrades the professional skill or it regards the people's understanding as less important.

There are still obstacles ahead of us, like slow and often delayed information and routine activities. State and public organizations have their own determined operational order, and often a narrowly-interpreted reality, short-term avoidance of disturbances, preference to avoiding risks instead of taking them, and the transfer of problems to higher echelons prevail in these organizations. A new system is beginning to emerge, but the shift is accompanied by adjustment disturbances.

[Kocsi] It will probably be easier to overcome these disturbances if the reform process had a social basis. Can such a basis emerge in the midst of decreasing social support and a decreasing standard of living at a time when one can see signs of exhaustion in society?

[Nyers] Yes, it can, and it must emerge because we have no other choice. The conscious organization of reforms must now become bipolar. Up to now, this process has been mainly directed from above, and the independent initiative of private persons or communities concerning major things has not been implemented. There have been such initiatives but they have not been thoroughly considered. Now, the masses are really living in the times of a lower standard of living. I think that in the past 2 years, the reaction to this situation has been critical but disciplined too. People's tolerance has not yet reached the limit, but it could if they are not properly involved in the country's affairs. It hinders the acceptance of burdens if people do not understand the changes that make their lives more difficult, if they do not see any attempts to relieve the problems, and if they do not know the principles according to which the country's leadership distributes financial burdens among the various strata of society. Tolerance decreases under such circumstances, but we must now increase people's tolerance. Hopefully, we will really reach the end of this tunnel which we thought in 1985 we were leaving.

There are economic resources inherent in the creation of an atmosphere of political confidence. In itself, this is not enough for success, because the economic system must also be made operational on a short-term and quick basis. This requires improved implementation of financial restrictions and important economic policy and foreign policy measures too. The recent party conference was a decisively positive step in creating such political confidence. All society must now reach this level of confidence. Whether we succeed or not is the most critical issue of our political life. If we succeed in this, and we hope we will, this will reduce our road through the tunnel.

With Greater Openness [subhead]

[Kocsi] This means, therefore, that political reform and real democracy are the conditions for the success of economic reform?

[Nyers] The conditions for economic success are greater openness, independent activity on the part of political institutions, and a steady and problem-oriented political analysis on the part of both state and public organizations. We must react to the problems more quickly than before. The trade unions, for example, must carry out the neglected critical analysis more quickly now. I sincerely hope that the Hungarian trade union movement can stand on its feet in this new situation, and resist from being dragged in this reform process with uncertainty, helplessly, and unwillingly, because this reform needs an up-to-date and thoroughly-organized trade union activity. This is also true of the youth movement. Young people are always one of the driving forces of reforms, at least in their number. The progressive strata of the intelligentsia will also have to play a greater role in this reform. It would be naive to rely on the entire intelligentsia in politics, just as we cannot rely on the entire working class either. But we must gather the progressive forces better than before. This can be achieved only if we do not demand uniform thinking on everything, not even on important political issues.

Therefore, our success depends on our ability to create unity on the basic issues in the midst the various ideas. This requires a different policy than before. I think that the policy-shaping activity of the progressive majority is gaining ground in Hungarian political activity today. Of course, majority does not mean that the minority can no longer interfere and express their opinion. We accept the fact that different opinions will continue to exist among people who have the same goals, and people who think differently should also have their rights. However, the majority has a great responsibility since it is easier for it to act and to see to it that the political positions do not reduce the existing consensus to a minimum. There is no real consensus when, although momentarily we agree on something, the country is passive and is in a state of opposition. This means that the majority does not support the decisions because such a majority takes risks and implements the tasks it set for itself. A political activity which tolerates the policy-shaping role of the majority and the opinion of the minority, but one that does not allow an exaggerated consideration of minority opinions, is a new development in Hungary.

Rationed Limitations [subhead]

[Kocsi] Let us return to economic issues. You took a stand in favor of more rational restrictions, while others find it necessary to eliminate all kinds of restrictions. It seems, however, that short-term economic interests favor these restrictions. How will all this lead to a breakthrough, and how will the aforementioned change take place?

[Nyers] Financial restrictions are needed today anyway. There is more money out there in circulation than is needed for proper economic management, and surplus money is mostly used to support poor efficiency. However, it is impossible to withdraw this surplus money from the economy overnight, because the necessary and surplus funds have become interwoven. There is almost a situation in which, out of every 100 forints, 80-90 forints are necessary, and the rest is surplus. Therefore, we must apply the restrictions with differentiation, but we must stop the current counter-selective restrictions that limit precisely the activities that are able to develop.

In my opinion, this differentiation should also cover the restrictions in the budget and in the sphere of credits. In the budget, restrictions aimed at reducing the subsidies must be developed, while in the sphere of credits, promising business opportunities must be increased by providing credits.

Further differentiation is needed in the sphere of enterprises, and the sphere of credits should solve this problem. Of course there is inefficiency in the food industry too, and we must fight this by means of a monetary policy also. But such a policy must be created with thoroughly considered goals and means, and the restrictions should not begin at the time of harvesting in agriculture or the processing season in the food industry. The restrictions should not increase at busy times because these should not harm the country's export interests either. A gradual approach is needed. Restrictions will probably have to be rationed here too over several years, but we should already start these restrictions.

If economic leaders could plan in advance and set up the restrictions when they would not hinder the marketing of harvested products but would only affect future plans, this would be a step forward. Today, we apply delayed restrictions in an urgent and quick way, and this slightly contradicts economic realities. Therefore, I am not criticizing the toughness of these restrictions but this haste. No matter how difficult the situation, haste does not help. If economic managers simply pass their own difficulties over to the enterprises, then it is useless to say that in the final analysis, the enterprises have to improve their efficiency, because they will not be able to cope with the "flood" descending on them. An expedient application of restrictions is the art, namely to provide exactly as much as needed for maximum improvement in efficiency, but to refrain from paralyzing the activity. The program of stabilization stipulates selective restrictions. Experts should determine the exact content of these restrictions, their meaning, and ways to apply them. I think we are lagging behind in this task, and selection has not been clearly interpreted to this very day.

[Kocsi] It is now Mikos Nemeth who fulfills the function of economic policy secretary in the Central Committee. You had the same job until 1975. What kind of division of labor will emerge between you two?

[Nyers] Mikos Nemeth is clearly responsible for the party's economic policy. The essence of my role can be summarized as participation in decisions and in the preparation of decisions, and advisory functions. The latter is a fundamental requirement for the present management systems, and thus for ours too. In today's complex economic processes, the opinion of a single person is almost never enough for major decisions. Thus, in socialist pluralism, when people of the same level give advice to each other, it can be quite productive. Equal level means following the same directions, and it generally requires an identical level of information too. Until now, the prevailing practice has been that people who are professionally more informed but politically less informed were advising the leadership. This is important, too, but it has its useful limits. The alternative possibilities inherent in shaping policy should be revealed better now.

More Substantial Democracy [subhead]

[Kocsi] Socialist pluralism? One can increasingly hear this concept nowadays, but less is said about exactly what each person means by it.

[Nyers] This can also be a pluralism without a determiner, the word "socialist" here means only that we are talking about pluralism within the socialist system. I regard this as an organic part of democratic decisionmaking. Therefore, this concept can also be expressed by the word "democracy", but in our circumstances, democracy has been limited to describing only the central determination of goals that express the people's interests. In simple terms, this meant that if we acted in the people's interest, then we were democratic. Therefore, the essence of pluralism is a broader and a more substantial concept of democracy in which equally informed people and people of equal levels responsibility of decisionmaking should rely on various views. Decisions should emerge as a result of compromises by those who implement the will of the majority. As long as we failed to interpret in a pluralistic way the activity of decisionmaking bodies, for example, and we relied on complete identity of interests and opinion, we had a problem finding such a complete identity of opinions and views. Generally, such an identity could be established at the minimum level, because these bodies were originally set up this way. But this has become a factor which hampered development, because it always minimized the risks and slowed down society's activity. The new thing now is that it no longer minimizes but recognizes the pluralistic approach, and the majority has a great responsibility here in correctly interpreting and implementing the decisions.

It is part of a pluralistic democracy that regular coordination of interests and opinions is under way in society both vertically and horizontally. Democratic values can come to the fore and become useful if the various social groups connected by identity of interests or views do not withdraw into themselves but try to influence each other, and if they are ready to evaluate other opinions too.

[Kocsi] What will the role of the minority in this new distribution of tasks be? If the importance and responsibility of the majority increases, then, no doubt, the role played by the minority will also change.

[Nyers] Several attitudes might inevitably emerge on the part of the minority. There will be people who will oppose and criticize a decision. We must create civilized ways of dealing with this. In opposing a decision, the minority also has great responsibility because, if it immediately starts either to obstruct or use open propaganda against the majority decision, this minority group will, in fact, leave the community in which it is a minority. Therefore, we must allow the majority opinion to assert itself to a certain degree. This is the problem facing those who oppose this opinion. The other frequent attitude, in my view, will be skepticism. They will neither oppose nor fully support the approved decision. I think that a fine distinction exists in the Catholic Church's positions, namely that they "support" or "oppose" something, or, in certain cases, they "do not oppose" it. The latter was deeply condemned and opposed by the communist ideology during the revolutionary struggle, and it was called a bourgeois attitude. The social democrats did not condemn this because a more developed democracy emerged there compared to the communist party, and the social democrats had already such a differentiation. Following 1956, in the sixties, abstention in decisionmaking was already accepted practice in our party too. In practice, this did not play an important role before. I think its role will increase now. However, decisions must be made, and it would be absurd to have a majority of abstentions in a decisionmaking body. The majority should be made up of people who either oppose or support the decision.

[Kocsi] Therefore, a person who opposes a decision is not necessarily an opposition member, right?

[Nyers] That is right. By opposing a decision, the person is still part of the system, but an opposition member leaves such a system. We have been making this differentiation in the party since the sixties, but we did not do it clearly and thoroughly enough, so the ideas got confused. Thus, in practice, we were too quick in considering somedoby who opposed something as a member of the opposition.

[Kocsi] Along with clearing and developing political relations, in what other areas will the economic reform continue?

[Nyers] We do not have a reform package yet. It is clear that we chose a direction at the party conference. Plans are now being prepared for the economy and for political reform. The major parts of the latter were already discussed at the party conference too, and these debates continue in the political public opinion and in public thinking too, and the party leadership also deals with them, but, in my view, this has not yet formed into a package. But this does not matter. Such packages cannot be worked out in their full importance and precision before the entire political mechanism starts moving and dealing with concrete problems and as long as the will of the majority is not clear enough. Without this, any political package would be only partial, and it would express the will of people who believe in quick action by all means, in action at any level. This would not represent the overall performance of the entire political life and of the democratic political mechanism.

Rational Separation [subhead]

[Kocsi] Therefore, all we can talk about now are directions. However, it is also worth hearing your opinion on the major tasks ahead, and on the most urgent steps needed for working out a successful economic policy.

[Nyers] Our main task is to create a socialist market economy. This is not generally accepted in the international communist movement, but it is supported by considerable forces. We believe in this too. One of the important tasks in this area is a more rational separation between the economic and the political spheres, and business life should not be burdened with abstract political concepts, and politics should not be in charge of defending the "economic uniform." We should discover the economic means for this within the economic reform. Here, I consider the budget and the enterprises' financial management to be the major elements, but it also should be said here that the economic management and the sphere of enterprises should be two separate areas that are better connected to each other but which are nevertheless autonomous, just like the adjustment of credits to the budget.

However, we should not forget the population and the consumers either, because they are active participants in our economic activity too. From the viewpoint of a market economy, developing the enterprises' property interest is one of our new major tasks ahead. This will lead to a more rational management of the society's capital and to the elimination of waste. In addition, we must switch to an economic policy that encourages saving. Thus, the participants in the economy, enterprises, budget institutions, and the population would save voluntarily and not by being forced. This is an extremely important issue from an economic policy viewpoint. A similarly important requirement is to start new ventures and to make sure that there are funds and manpower available for them. These ventures should start simultaneously with the decrease in less efficient ones. Another fundamentally important element is to increase the resources available from our international financial relations. We should pay particular attention to reducing the danger of inflation during these years. This does not mean a total elimination of inflation at present but the ability to control creeping inflation. In the sphere of our political institutions, the major tasks facing us are the following: rationalizing the party's internal democracy and decisionmaking process, developing the autonomy of public organs, and establishing a permanent dialogue between government and society. I think we have now the strength to cope with these tasks.

Policy on Refugees From Romania Outlined

AU2306193788 Budapest MAGYAR HIRLAP in Hungarian 17 Jun 88 p 6

[Interview with Deputy Interior Minister Zoltan Gal by Andras Banki, following session of the Council of Ministers on 16 June: "The Number of Refugees Is Increasing—State Funds Coordinated With Society's Readiness To Help"]

[Text] Following the session of the Council of Ministers, Deputy Interior Minister Zoltan Gal, head of the Interministerial Committee in Charge of Foreign Citizens Residing in Hungary, gave an interview to MAGYAR HIRLAP on the government discussion of a report submitted by the committee and the regulations it adopted on how the settlement fund would be used.

[Banki] What has this committee done for the refugees since its establishment almost 4 months ago?

[Gal] The committee carried out its activity in accordance with unchanged political principles that had been set earlier. As is well known, the current situation in Romania forced many people to leave their homeland and seek refuge in Hungary. Our position is that resettlement cannot solve the fate of a national minority, and we refer to the human rights when we say that every person should prosper in his own homeland. Nobody should be discriminated against because of his nationality, and the conditions for preserving his identity should also be present.

At the same time, and we have pointed this out repeatedly, we cannot refuse to help people who turn to us in their seemingly hopeless situation. For us, this is not only a matter of human rights but also a domestic policy factor. The government felt that it was its responsibility to react to this situation and one of its steps was to establish this interministerial committee.

The Number of Refugees Exceeded 5,000 [subhead]

[Banki] Our political principles have, therefore, been unchanged, but the situation is changing almost by the month. How is this change reflected in the activity of your committee?

[Gal] The committee worked out the principles and methods of its own activity by striving to make the government institutions deal with these people's affairs in a way which coordinates state funds with society's readiness for help. We are striving to provide these people with everything that we in our country can give them, but, at the same time, this should not encourage these people to resettle and should not produce illusions. All this can be achieved most successfully if these people get jobs and make a living from them. This is acceptable for us and for society, too.

We had to create a state administration and an organizational system for our work. A coordinating body is operating in every county; an information system has emerged among the various organizations—for example, the supply of information on available jobs—and they inform each other about these opportunities. Thus, they are able to offer jobs to the Romanian citizens who decided to stay here and not to return.

[Banki] How many such people are in Hungary now, how many of them have asked for temporary residence permits so far?

[Gal] According to the last nationwide survey on 10 June, up to that day we had issued 4,997 temporary residence permits to Romanian citizens; today—taking into consideration the rate of increase—the number must be around 5,200. But we must also take into consideration that so far more than 200,000 Romanian citizens have traveled to Hungary officially this year, and this represents a steady supply of more people who will ask for temporary residence permits.

[Banki] In other words, there can be a large number of people who are here in Hungary but have not yet received temporary residence permits?

[Gal] According to our experiences, the number of people who make inquiries about the possibility of staying in Hungary continues to increase. In the last 3 months, for example, in Budapest alone more than 8,000 people turned to the relevant authorities at the local councils and the Red Cross. It is not difficult to estimate that if the present interest continues, the number of people with temporary residence permits might reach 12,000 by the end of the year. Our committee informed the government that our theories and methods are still sufficient for such numbers.

[Banki] You can give jobs to so many people?

[Gal] There are jobs for more people, although we are well aware of the fact that at present, there are more than 10,000 registered unemployed in Hungary, and there is a much larger number of people who are temporarily unemployed. As they say, there is a structural unemployment here. Therefore, one cannot simply say that we have now a number of jobs for a number of people. It is a fact, however, that the overwhelming majority of Romanian citizens who decide to stay here are qualified professionals. Only people who trust their skills will make such fateful decisions. This facilitates their settling and they have no language problems either.

The situation is more difficult in the case of some 500 Romanian citizens who are not Hungarian minorities, who do not want to return either and who have temporary residence permits. Their settling is also more difficult because they speak only a little Hungarian, or none at all.

The Illusion of Family Reunion [subhead]

[Banki] Experience shows that these people would like to move on to a third country. There are also many such people among the members of the Hungarian minority because they think they will have a better chance of a family reunion in a third country.

[Gal] Indeed, there is such an illusion among the Hungarian minority. There may be special cases, but the way I understand it, no country in the world can guarantee a family reunion within a short time. To say nothing of the fact that no country is "enthusiastic" about hundreds and thousands of refugees asking for help.

However, we Hungarians must also take into consideration the following: We do not want thousands more Hungarian nationals to scatter all over the world without any future prospects. Therefore, we do not support their attempts to travel further. The situation is different in the case of Romanian and German nationals.

[Banki] In what parts of the country can the majority of these people be found?

[Gal] The majority are living in Budapest and in the border areas. This is a serious problem because there is not enough housing for them. Therefore, the committee proposed that the government search for possibilities of spreading these people out in various parts of the country, in places where they have better chances of finding proper housing. I refer here primarily to the counties in the Dunantul area.

[Banki] Do you mean the deserted villages?

[Gal] This possibility was discussed at the very beginning, but this in itself is no solution. These villages had been deserted in the first place obviously because conditions forced the people to take this step. Therefore, this might not necessarily be a good solution for the refugees. If things change, however, I think we must reexamine our position and encourage such a solution. And these people will also have to increasingly accept such solutions because we are simply unable to offer them housing elsewhere.

Settlement Fund: Reimbursement [subhead]

[Banki] The Council of Ministers regulates the use of the 300 million forints settlement fund. How is this carried out?

[Gal] From now on, this fund will support the councils and institutions that spend most on these people in the form of subsidies. (A total of 8 million forints have been paid so far on temporary housing, aid, and other expenditures.) The Ministry of Interior is in charge of this fund. Regulations on education, social and health assistance, temporary housing, and permanent housing stipulate that the forms of assistance used here must be identical to those used for Hungarian citizens. The only exception to this rule is the one-time settlement allowance given to families with children, families in the possession of temporary residence permits. This allowance amounts to 17,000 forints in the case of families with one child, and 34,000 forints for families with two children. However, in case of need, any person can apply for regular and special social and educational assistance, just like any other Hungarian citizen.

Local councils can provide assistance in housing, but only for persons who possess permanent residence permits, and this takes time. Anyone who possesses such a permit has almost equal rights with Hungarian citizens, and the councils will be reimbursed for the assistance they provide for such persons.

Regulations also make it possible for the Red Cross and churches to be reimbursed from this settlement fund. These organizations provide assistance from their own funds, but they should receive funds for maintaining offices and storage facilities.

The Final Solution Rests With Romania [subhead]

[Banki] The recent Romanian plans of demolishing numerous villages—the so-called village settlement plans—might lead to a situation in which masses of helpless people leave their homeland. What is Hungary doing and what can it do against this? Or, in the worst case, can we make preparations to accept more refugees?

[Gal] As Karoly Grosz also clearly pointed out, we have no way to avoid this but to negotiate.

[Banki] Negotiations at international forums, too?

[Gal] We have been consistently discussing human rights issues at international forums. In this case, however, the final solution is Romania's, irrespective of our readiness for negotiations or our initiatives at international forums. One can say that it is very likely that this so-called village settlement plan will not strengthen those people's desire to stay there and might lead to a wave of refugees. And then, the situation will be totally different. Therefore, the government ordered the interministerial committee to consider the necessary measures in such a case, and initiate decisions.

New Round of Talks With EEC Begin

LD2306210288 Budapest MTI in English 1645 GMT 23 Jun 88

[Text] Brussels, June 23 (MTI)—From Ferenc Fabian, MTI Brussels correspondent:

A new round started at the Brussles Headquarters of the EEC between the experts of the Western European community and Hungary on a commercial and economic cooperation agreement. During the previous talks the stands approached, but they came to a deadlock on a question of the complete elimination of quantitative limitations in bilateral trade. Certain EEC member states, such as Italy and Spain, protest against the complete elimination of qualitative restrictions imposed on certain Hungarian export commodities, what Hungary demands referring to its rights deriving from its GATT membership. At their talks held on June 13, the EEC foreign ministers heard a report on the talks with Hungary and the barriers of progress. They voiced their political intention that, in accordance with the authorization given to the Commission, the talks be successfully completed as soon as possible, and the barriers in the way of the agreement be removed with mutual understanding and concession.

No information was given on the present round of the talks expected to be continued on Thursday. According to well-informed EEC circles, the Commission of the European Communities, in accordance with the decision of the Council of Foreign Ministers, is to forward a new proposal, in which the list of goods with qualitative restrictions to be lifted later is to be further curtailed. It is also expected to make a new proposal on the closing date of the elimination of restrictions.

Referring to the remark of Willy de Clerq, member of the Commission in charge of external relations and trade policy, journalists at the EEC Headquarters take it for granted that the Commission is to call for the successful conclusion of the talks. The Commission would like if, on the eve of the signing of the joint communique on the establishment of official relations between the EEC and the CMEA due on Saturday, an agreement were reached with Hungary, on the conclusion of an agreement which is the most comprehensive among the agreements planned to be signed with CMEA member states.

Honecker-Led Delegation Arrives in Wroclaw

LD2406131388 East Berlin ADN International Service in German 0811 GMT 24 Jun 88

[Text] Wroclaw, 23 Jun (ADN)—The GDR party and state delegation, led by Erich Honecker, general secretary of the SED Central Committee and chairman of the Council of State, arrived this morning in the southwest Polish industry city of Wroclaw.

It is taking part in the friendship meeting of the youth of both countries, the highlight of which will be the signing of the agreement between the GDR and the Polish People's Republic on the friendship of the youth of both countries.

Erich Honecker was fraternally welcomed at Wroclaw airport by Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the Council of State of the Polish People's Republic. Other members of the party and state leadership of the brother-country were present.

Economic, Scientific Session Held With CSSR

AU1506164288 Warsaw TRYBUNA LUDU in Polish 9 Jun 88 p 2

[Text] PAP—The 24th Session of the Polish-Czechoslovak Committee for Economic and Scientific and Technical Cooperation ended its deliberations in Warsaw on 8 June. The session was chaired by Vice Premier Zbigniew Szalajda and Vice Premier Jaromir Obzina.

It was concluded that most of the tasks stemming from the "Long-Term Program for the Development of Economic and Scientific and Technical Cooperation Between the PPR and CSSR Until the Year 2000" were being performed on schedule. Trade with Czechoslovakia—Poland's second largest trading partner in terms of the value of two-way trade—is developing well and its value reached a level of R3.1 billion last year. The long-term trade agreement is also being implemented well. It envisages that the value of trade during the period 1986-90 will reach a level of R12.2 billion (in 1985 prices), which represents an increase of 40 percent compared with the previous 5-year period.

Our imports from Czechoslovakia include farm machinery, machinery used in the manufacture of textiles, trucks, metal working machines, iron and steel industry products, electrical engineering industry products, pharmaceuticals, synthetic fibres, and tires. Our exports include power industry equipment, machinery and equipment for use in the chemicals industry, electrical engineering industry products, and other commodities.

The session saw the initialing of an intergovernmental agreement on direct production and scientific and technical cooperation between enterprises and organizations in Poland and Czechoslovakia.

With a view to ensuring economic conditions for encouraging the development of new forms of cooperation, the committee advised that an intergovernmental agreement be prepared on the use of national currencies in settling payments for direct cooperation between enterprises and organizations.

Scientific and technical cooperation is assuming increasing importance in bilateral relations.

The joint chairmen of the committee were briefed on the realization of tasks and the results of scientific and technical cooperation, and the increase in the exchange of specialists and documentation on industrial designs and prototypes. The execution of priority tasks contained in programs for scientific and technical cooperation for the years 1986-90, with particular attention being given to new forms of cooperations, is being overseen by a council, whose members are directors of scientific, research, and production units, that is charged with supervising, coordinating, and checking the accomplishment of priority matters. The chairmen recommended the formulation of a concept of scientific and technical cooperation for the years 1991-95 that takes into account the program for cooperation until the year 2000.

A report was also delivered on the state of the coordination by the PPR and CSSR of socioeconomic plans for the years 1991-95.

Vice Premier Jaromir Obzina met Vice Premier Jozef Koziol. Their talks focused on agricultural and environmental problems.

Yugoslav Economic Delegation Concludes Visit

LD1406234088 Warsaw PAP in English 2030 GMT 14 Jun 88

[Text] Warsaw, June 14—A delegation of Yugoslav economic chamber led by its chairman Milan Pavic ended their visit to Poland today.

In the talks held with Chairman of the Polish Chamber of Foreign Trade Tadeusz Zylkowski the sides emphasized that the development of Polish-Yugoslav economic cooperation may help towards faster overcoming of problems existing in both countries. The stagnation in mutual turnover recorded in the past two years should be counteracted by stimulating direct cooperation between enterprises, expanding existing ties in the field of specialization and co-production, joint undertakings and exchange of information.

Today Milan Pavic, accompanied by other members of the delegation, was received by Chairman of Poland's government planning commission, Vice-Premier Zdzislaw Sadowski. The partie reviewed the present state of and prospects for Polish-Yugoslav economic relations and factors which should contribute to the development of production links and exchange of commodities between the two countries.

Jaruzelski Receives Hungarian Envoy

LD2006220188 Warsaw PAP in English 1723 GMT 20 Jun 88

[Text] Warsaw, June 20—First Secretary of the PUWP CC Wojciech Jaruzelski received here today Gyorgy Biczo, the ambassador of the Hungarian People's Republic to Poland.

The ambassador delivered to Wojciech Jaruzelski a letter from Janos Kadar, the chairman of the Hungarian Socialist Workers' Party.

Jaruzelski Receives Vatican Special Envoy

LD2306185488 Warsaw Television Service in Polish 1730 GMT 23 Jun 88

[Text] Wojciech Jaruzelski, chairman of the Council of State, has received Archbishop Francesco Colasuonno, apostolic nuncio for special missions and head of the team for the permanent working contacts between the Holy See and the Polish Government.

Issues relating to the further development of relations between Poland the Holy See were raised during the talks, and the will to continue dialogue for their full normalization was reiterated. Some aspects of church-state relations were discussed. It was emphasized that their positive development contributes to the implementation of common aspirations of Poles to build a better future for the Polish state and nation.

Archbishop Francesco Colasuonno has also been received by foreign minister Tadeusz Olechowski. Relations between Poland and the Holy See were discussed. Minister Tadeusz Olechowski handed to Archbishop Francesco Colasuonno the text of a draft convention prepared by an editorial team composed of representatives of the government and the Episcopate.

The guest has also had a meeting with Wladyslaw Loranc, head of the Office for Religious Affairs. Work on preparing a draft law regulating relations between the state and the Roman Catholic Church in Poland was assessed.

Urban To Visit RFE Polish Section in FRG

LD2306183888 Warsaw PAP in English 1737 GMT 23 Jun 88

[Text] Warsaw, June 23—Speaking about his proposal to travel to Munich, the FRG, to meet face-to-face the Polish section of Radio Free Europe and about the proposal of the Polish Radio external service to host a debate with newsmen from the Polish section of Radio Free Europe in Poland, Government Spokesman Jerzy Urban told PAP:

"From the Western press I know that Mr. Pell, the head of the Munich-based radio station, told it that he accepts my proposals and will send a letter on this matter. I am, therefore, awaiting this letter.

"It stems from Mr. Pell's statement for the press that he interprets the proposal of my arrival as an announcement that I will appear in Radio Free Europe and that a unilateral scenario is being prepared there already.

"It follows therefore that the intention calls for some more detail in order for my initiative not to take on a misleading and undue meaning. Of course, I firmly uphold the intention of meeting the Polish section and presenting to them, face to face, what we think about the activities of this radio station and the nature of its interference into Polish affairs. The Polish radio also upholds its proposal and I my declaration on free entry and departure in order to hold a discussion in a Warsaw studio."

Communique Issued on Mlynczak's Talks in Bonn

LD1506121088 Warsaw PAP in English 1725 GMT 9 Jun 88

[Text] Bonn, June 9—After Wednesday's meeting of Chairman of the Democratic Party and Vice-President of Poland's Council of State Tadeusz Witold Mlynczak and head of the FRG Chancellor's Office Wolfgang Schaeuble, Spokesman for the Federal Government Friedhelm Ost conveyed to the press a communique which reads, among other things, that during a one-hour talk held in a very matter-of-fact atmosphere, the sides discussed primarily the state and prospects of the German-Polish relations.

Federal Minister Schaeuble confirmed the will of Federal Chancellor Helmut Kohl that—while not forgetting the painful past and basing on the lasting foundations of the treaty signed in Warsaw in 1970—one should continue to follow the road of agreement with the Polish people and above all take into account closer rapprochement between the young generations of the two countries.

FRG Officials Assess Mlynczak Visit

LD1106224188 Warsaw PAP in English 1831 GMT 11 Jun 88

[Text] Warsaw, June 11—Many valuable talks and contacts that can contribute to overcoming the existing deadlock in relations with Bonn were the result of Tadeusz Witold Mlynczak's official visit to the FRG at the invitation from FDP Chairman Martin Bangemann, spokesman for the Democratic Party (SD) Adam Wysocki told PAP.

Commenting on the previously unplanned meeting of the SD CC chairman with CDU Chairman Helmut Kohl, the spokesman pointed to the will to accomplish such a constructive breakthrough in relations with Poland still before an official visit to Poland planned for the end of this year, stressed by the federal chancellor. The visit, as both sides say, must be so well prepared as to end in a desired success.

Also, Bundestag President Philipp Jaenninger showed lively interest in the process of rapprochement with Poland. He stressed the significance of the already existing good results of cooperation of parliamentarians and welcomed Poland's initiative to convene a conference of speakers of parliaments of all countries-signatories to the Helsinki CSCE charter here.

Mlynczak met also leaders and leading representatives of all Bundestag floor groups.

Mlynczak's talks with representatives of the FDP leadership, FDP chairman Martin Bangemann and official candidates for this post: Ms. Irmgard Adam-Schwaetzer, FRG foreign vice-minister and FDP leading economic expert Otto Graflambsdorf had a particularly lively and business-like character.

Konarski Denies Opposing CSCE Document

LD2006123088 Warsaw PAP in English
1107 GMT 20 Jun 88

[Text] Warsaw, June 20—Radio Free Europe broadcast June 14 a false report whereby head of the Polish Delegation to the Vienna CSCE Meeting Ambassador Wlodzimierz Konarski had allegedly turned down the neutral and non-aligned countries' draft of the final document.

Asked by PAP about it, Ambassador Konarski refuted the allegation. "I should like to make it clear," Konarski said, "That I submitted a motion of support for the draft as the basis of agreement, while urging introduction of the minimum amendments proposed by other countries, which will expectedly allow for full approval of the document and successful completion of the meeting."

Miodowicz Discusses Issues Before ILO Trip

AU1606200888 Warsaw TRYBUNA LUDU in Polish
13 Jun 88 p 4

[Teresa Grabczynska report: "Statement by OPZZ Chairman Alfred Miodowicz for TRYBUNA LUDU Before Departing for the ILO Conference in Geneva"]

[Text] This will be my second visit to Geneva. The most important thing to me is our openness to all positive events relating to Poland. But before I speak at the 75th ILO session in the name of Polish workers, I wish to stress two reasons why we should be active in ILO. First, our country helped to set up ILO; second, in the midst of our economic reform we also continue to experience many problems and troubles that scientific-technological progress is producing worldwide.

Our workers are not harassed by unemployment, but we have to think of this issue. We have to think of demand for people who are good workers and of the troubles that are the lot of those who do not want to work. And yet the most painful issue in the world and even in countries so close to us as Yugoslavia is unemployment.

Other serious problems are longer working hours, employment of women during the third shift, the worsening working conditions, and the protection of the natural environment, which is so important for the health of workers and work veterans. All these issues are contained in the conventions ratified by Poland, but the thing is not only to attend to these issues, but also to learn from the appropriate experience others.

If one wonders how we feel in ILO, let me say that we have attended all its conference in the past year, which means that ILO people know us, that many questions have been clarified, and that we have made progress in normalizing our ILO situation and in making our credentials credible.

The primary reason for our present enlarged delegation is that the OPZZ does not want to claim the monopoly of representing Polish trade unions. We stressed this at our congress and in our statutes. Where do we find other representatives of the Polish trade unions? We find them in trade union federations and outside the OPZZ structures. After all, there are over 4,000 trade union organizations in Poland, which, because they do not belong to any central organization, are proof that we have trade union pluralism. The fact that the chairman of one such important trade union goes to Geneva shows that such organizations do exist. This is how we have signally fulfilled a condition posed for us by the ILO Mandate Commission last year. What also matters is that we will always appoint our delegations so that they reflect trade union pluralism in our country. We cannot be accused either in Poland or in ILO of lacking openness and the willingness to honestly represent the views of the working people.

Miodowicz Votes Upon Return From Finland

LD1906212488 Warsaw PAP in English
2040 GMT 19 Jun 88

[Text] Warsaw, June 19—Chairman of the All-Poland Alliance of Trade Unions Alfred Miodowicz had cast his ballot as one of the last voters tonight before polls closed at 22:00 hrs.

Miodowicz went to his poll straight from the airport after he had returned from Finland.

Environment Protection Accords With Netherlands

LD1506091288 Warsaw PAP in English
0021 GMT 15 Jun 88

[Text] The Hague, June 13—Poland's minister of environmental protection and natural resources Waldemar Michna paid a return visit to the Netherlands between June 6 and 11, at the invitation from minister of housing, physical planning and the environment Ed Nijpels.

During the talks, the two sides agreed upon numerous joint concrete ventures in environmental protection.

It was agreed that Poland and the Netherlands would build a joint testing station for continuous air pollution testing. The station will be erected in the western Sudeten Mts range, in the region of the ecological disaster where about 7,000 hectares of forests were destroyed. Research centres of the two countries will have access to the results of the measurements.

The station and the planned programme of measurements will be one of the elements of the Polish air testing network which is to include 23 such stations.

During Minister Michna's stay to the Netherlands, the "Megat" community and the Dutch Strok-Ketels firm started talks on joint production of medium-size fluid boilers whose technical solutions make it possible both to increase effectiveness of coal combustion and to considerably decrease sulphur dioxide and nitric oxides emission. The two sides also dispalyed interest in cooperation in boiler torches with low nitric oxide emission.

Minister Michna put forward a proposal to organize next year a joint seminar on environmental protection in Poland. During a meeting with members of the environmental protection commission of the Dutch Parliament, the head of the Polish delegation presented assumptions and main directions of the ecological policy in Poland.

Official Views Economic Ties With West

PM2206105388 Lodz GLOS ROBOTNICZY in Polish
10 June 88 p 4

[Interview with Janusz Kaczurba, under secretary of state at the Ministry of Foreign Economic Cooperation, by GLOS ROBOTNICZY correspondent Andrzej Kruze; date and place not given]

[Text] [Kruze] A year has now passed since the lifting of the last formal economic restrictions applied by the West against Poland. How, in these new circumstances, do you assess the progress of the reconstruction of our positions in our commercial exchange and economic cooperation with Western countries?

[Kaczurba] We have always stressed that it is stability of economic ties that counts most in relations with foreign countries. A country's position in foreign markets takes years to build up, but it can be lost very quickly. Rivals do not miss opportunities like the one created by the Western sanctions against Poland, which limited our presence in traditional markets or eliminated it altogether.

There is cause for optimism in the fact that, thanks to the efforts made by our entire economic sector, we now note a considerable upsurge in the overall value of our exports to the Western countries. On the other hand, it is also true that the process of regaining our lost positions in the foreign markets with regard to certain important categories of goods will continue to be difficult and irregular. We must also accept the possibility that we will not be able to regain them everywhere. Not only did others take our accustomed places, but at the same time some of our goods have lost their competitive selling potential by falling behind in technological advancement....

[Kruze] So the consequences of the sanctions are still felt although the restrictions themselves no longer apply?

[Kaczurba] Yes, that is exactly how things look at the moment. Besides, although the restrictions are no longer formally in force, certain informal and quite painful limitations in economic cooperation are still applied by the West, particularly those following from the absence of proper normalization of credit and finance agreements. In this respect Poland finds itself in an exceptionally unfavorable situation. Ninety-five percent of our imports from the second payments area [Western countries] are financed via cash settlements. We have to pay in "hard" cash even for equipment designed to be used in capital investments, where the recovery of investment outlay takes a long time, although in normal circumstances this is paid for via credit.

Our situation is also paradoxical as regards the flow of capital. The sum of money which we have had to pay our Western creditors to service our debt since the beginning of 1982 was seven times the total credits we were granted over this period. Our revenue from credits amounted to some 1.5 billion dollars, and the net transfer of capital from Poland came to 11 billion dollars.

[Kruze] Minister, do you not think that the West's reluctance to achieve a full, real normalization of economic cooperation with Poland is still dictated by the poor condition of our economy?

[Kaczurba] This is certainly a strong argument. The crisis of the early 1980's affected us at a time when the entire world economy was switching to new technological developments, when the next stage of the high technology race was beginning, with the resultant strong international competition. We were absent from the race at that crucial point. At the time we were wrapped up in our own internal difficulties, and we have still not managed to catch up and close the existing gap.

However, as our economic situation improves, we try to stimulate our export capacity. This is an essential move. After all, we are facing the necessary task of achieving an equilibrium in our balance of payments and, through this, stemming any increases in our foreign debt. To this end we have created a system of institutional incentives which, although not always consistently applied, have noticeably stimulated an interest in export—not only because of the interest of the entire economy, but also that of individual production enterprises and their work forces.

[Kruze] This has been the subject of much attention for a long time, but is there any evidence to support it?

[Kaczurba] There is, and it is twofold. We have at our disposal serious studies which confirm that most producers treat exports as a course of action that is far more advantageous than producing goods for the domestic market. This is also supported by statistics. In the 1st 4 months of this year our free currency exports have gone up by as much as 29 percent. Even allowing for the fact that this must be viewed against the relatively poor export results for the same period last year, it is still a significant improvement.

[Kruze] But is it not perhaps the result of the sudden and enthusiastic rush into exports, which may be short-lived?

[Kaczurba] No. It is more the result of a gradual export-fostering change in our economic policy. The best evidence of this is the drop in the share of raw materials and low-technology products in our exports. The only regret is that this is not wholly caused by the progressive structural changes in the economy and measures introduced to encourage saving materials, but follows to some extent from the priority given to domestic requirements for raw materials over the needs of exporters.

[Kruze] This year our exports grew quite noticeably, but at the same time our imports went up by as much as 20 percent. Please tell me if their ratio is correct and, more importantly, are we not perhaps "eating up" our growing imports?

[Kaczurba] Already some time ago our economy reached a critically low level of complementary imports designed to fill the gaps in our own production. In view of this it is quite natural for enterprises at present to allocate a higher proportion of their hard currency resources earned from exports to pay for imported producer goods and investment products. They earmark 1/3 of their hard currency export allowances for importing investment products. Therefore one can say that the increase in imports is fully justifiable. In any situation, and particularly one as difficult as ours, optimally devised imports are the most rational move on the part of the producer.

[Kruze] And so we plan to boost our exports and rationalize our imports. What do our Western economic partners say to that?

[Kaczurba] On the whole they regard these moves favorably. They have given expression to this both in bilateral talks and in opinions given by such institutions as the IMF or the World Bank. These two went so far as to recommend even further-reaching preferential treatment for the export policy, even if it should be at the expense of the domestic market. We did not agree with that, considering such recommendations contrary to the expectations of our society and to the need to preserve a certain motivational minimum through the protection of an essential level of market supply.

Recently the IMF and the World Bank have appeared to become, as it were, more willing to share our views on the matter, although they are still suggesting that budget discipline should be maintained more rigorously. They want to see effective elimination of such measures as tax concessions and various subsidies, which lead to artificial adjustments of economic and financial results at enterprise level. In other words, they suggest that the savings obtained on a national scale through the application of the economic reform should not be drained away by the budget deficit.

We do not yet know what attitude the IMF, the World Bank, the Paris Club, and various Western economic and political circles will assume toward Poland now. Will they revise their earlier assessments of our ability to achieve a state of economic equilibrium in a relatively short period of time in view of the recent wave of unrest in our country? Initial opinion polls suggest that the events which took place in Poland in late April and early May are bound to affect those assessments.

[Kruze] But would you say that the reserve demonstrated by the West in its economic relations with Poland is a consequence of economic motivations or political reasons?
ias toward political reasons. In its relations with Poland the West applies tactics which I would call "the receding horizon method." Serious talks with Poland are conducted, and the Western partners involve themselves in these, advise us, and appraise—usually positively—our attempts to achieve economic stabilization, but then they defer concrete decisions which might enable us to develop cooperation more fully. The West prefers to put them off until some later date. We have many examples of these tactics. Certain American financial circles would be inclined to become more involved in cooperation with Poland, but regrettably they cannot do so because of the restrictive measures which they have been forced to observe. These are the results of political motivations.

[Kruze] Thank you for talking to me.

Egyptian Parliamentary Delegation Visits

LD1406120088 Warsaw PAP in English
0133 GMT 14 Jun 88

[Text] Warsaw, June 13—A delegation of the Shura (Advisory Council) of the People's Assembly of the Arab Republic of Egypt, with its speaker 'Ali Lutfi, is now on a visit to this country, at the invitation from the Sejm (Polish parliament).

During today's meeting of Sejm Speaker Roman Malinowski with the delegation, the sides expressed satisfaction over the resumption of direct contacts between the two parliaments which were to serve the broadening of cooperation in all fields between Poland and Egypt.

Egypt is Poland's leading partner in that region of the world. The recent years, especially the period after the meeting between Wojciech Jaruzelski and Egyptian President Husni Mubarak during the 40th U.N. session in 1985, were marked by growing trade and economic, scientific, technological and cultural cooperation, including many-year-long cooperation of Polish and Egyptian archaelogists.

There still exist much bigger possibilities to develop various forms of this cooperation, especially of profitable coproduction. The two sides expressed the conviction that the planned visit to Poland by the Egyptian minister of industry and planning and the 11th Session of the Polish-Egyptian mixed Committee for Economic Cooperation, to take place in August, would help use this chance and contribute to overcoming some barriers in trade exchange and payments.

The Egyptian side displays interest in the further development of cooperation between institutions of higher learning, and in the increase of a number of scholarships for Egyptians pursuing their Ph.D. degrees.

Much attention was paid to international issues, including the improvement of Soviet-U.S. relations. The two sides expressed support for actions serving disarmament, consolidation of detente, security and cooperation. In this context, they referred to the Polish initiative, known as the Jaruzelski Plan, to reduce armaments and to increase confidence in central Europe, and to the initiative of the Polish Sejm to convene a meeting of chairmen of parliaments from European states, the U.S. and Canada, to take place in Warsaw in autumn.

Pointing to the urgent need to quell dangerous regional conflicts, the two sides unanimously stated that it would not be possible to ensure peace in the Middle East without solving the Palestinian issue at an international conference under the U.N. auspices. We highly hold Poland's stand on this issue, 'Ali Lutfi said.

Also today, the Egyptian parliamentarians met with Sejm deputy speaker Mieczyslaw F. Rakowski. The talk focused on socio-political situation in the two countries. Rakowski presented the Polish experience in introducing reforms into political life and developing coalition system of governing.

Received by Jaruzelski, Messner

LD1506214888 Warsaw Domestic Service in Polish 1800 GMT 15 Jun 88

[Text] Wojciech Jaruzelski has received 'Ali Lutfi, speaker of the upper chamber of the parliament of the Arab Republic of Egypt, who is in Poland heading a delegation of Egyptian parliamentarians. Issues relating to bilateral relations and some international issues, primarily the process of detente and the consolidation of international security, were discussed. The significance of parliamentary contacts for developing all-round relations between Poland and Egypt was touched on.

Roman Malinowski took part in the conversation. 'Ali Lutfi was also received by Zbigniew Messner. The state of and prospects for the development of Polish-Egyptian relations were assessed during the meeting. It was stated that there are many possibilities for extending bilateral cooperation in many areas.

Delegation Leaves

LD1506215288 Warsaw PAP in English 2015 GMT 15 Jun 88

[Text] Warsaw, June 15—A delegation of the advisory council, higher chamber of the Egyptian Parliament, headed by its Speaker 'Ali Lutfi ended today its visit to Poland paid at the invitation of the Presidium of the Sejm (Polish parliament).

During the visit, which marked resumption of regular contacts of both countries' parliaments after a dozen or so years-long break, members of the delegation were received by representatives of Poland's supreme authorities.

During talks held at the Sejm, sides recognized as advisable further animation of direct parliamentary contacts. Speaker of the advisory council invited Speaker of the Sejm Roman Malinowski to pay a visit together with a Sejm delegation to Egypt still this year.

It should be stressed that positive trends appeared during the past few years in the development of Polish-Egyptian turnover and in other fields of economic cooperation as well as in cultural, scientific and technological cooperation. Planned are further talks which are expected to intensify that cooperation. Preparations are underway for the 11th Polish-Egyptian session of the mixed commission for economic cooperation and Polish visits are planned by the Egyptian minister of industry and the minister of culture. At the same time, vast possibilities are noted for mutually beneficial coproduction not only in the traditional auto-motive branch, but also in other branches of the industry and in agriculture.

The Egyptian side was interested in the expansion of contacts among universities and in the increase of the number of grants for Egyptian postgraduate students.

The visit of Egyptian parliamentarians also confirmed the convergence of both partners' views on international questions discussed.

Olechowski Meets Israeli Foreign Ministry Head
LD2106201188 Warsaw PAP in English
1846 GMT 21 Jun 88

[Text] Warsaw, June 21—Poland's Foreign Minister Tadeusz Olechowski received the director general of the Israeli Ministry of Foreign Affairs, Y. Beilin who is inspecting the Israeli interest section here.

Beilin and Foreign Vice-Minister Jan Majewski held working talks.

The talks focused on matters connected with the work of the interest sections of both countries as well as international issues.

Messner Cables PRC's Li Peng From Plane
AU1606204388 Warsaw TRYBUNA LUDU in Polish
13 Jun 88 p 6

[Cable sent by Zbigniew Messner, PZPR Politburo member and chairman of the PPR Council of Ministers, to Li Peng, member of the Standing Committee of the CPC Politburo and premier of the PRC State Council, on his departure from Beijing on 12 June]

[Text] To Comrade Li Peng, premier of the PRC State Council.

As I leave the hospitable land of China, I would like to convey to you, the party and state leadership of the PRC, and the Chinese sincere thanks for the hospitality with which I was received and the expressions of friendship that were addressed to Poland during our stay in your country. The scale of reform and modernization in China has made a deep impression on me. I wish you and the Chinese people further successes in realizing your plans for the development of the PRC.

Zbigniew Messner, premier of the PPR Council of Ministers.

Chinese Official Examines Economic Cooperation
LD1006131788 Warsaw PAP in English
1850 GMT 9 Jun 88

[Text] Warsaw, June 9—"Long-time, fruitful economic contacts and the tradition of friendship between the two states created favourable foundations for the current and future Polish-Chinese cooperation which has been proceeding very successfully," Yu Hongen told the EXPRESS WIECZORNY daily.

Yu Hongen is chairman of the Chinese Government delegation to the 4th session of the Polish-Chinese committee for economic, trade and scientific-and-technological cooperation which met in Warsaw shortly before Poland's Premier Zbigniew Messner's official visit to Beijing.

"In line with the provisions of the long-term trade agreement, over the five years from 1986 to 1990 bilateral trade is to reach 6.5 billion Swiss francs, while over the first three years it is likely to total over 4 billion francs, so it is clear that we are reaching satisfying results," Yu Hongen was quoted as saying.

"Next to the traditional commodity exchange we also expand other forms of cooperation such as the direct cooperation between Polish and Chinese enterprises and barter trade between Poland and Chinese provinces and towns," Yu Hongen added.

"Our trade amounted to 1,217 billion Swiss francs last year and is assumed to be similar this year. Poland and China reached an agreement as to seven new areas of economic and technological cooperation. They concern such branches of industry as chemistry, construction materials, machine building and other spheres of production," he said.

"Our good and fruitful cooperation has been going on for the past 50 years. It ranges from the commodity exchange to common scientific research programmes and joint designs of mining machines and equipment.

"We intend to continue cooperation in the production of key installations for the mining industry. Moreover we envisage that our experts will take part in the development of coal processing plants.

"As both sides were carefully preparing themselves for Premier Messner's visit, I am convinced that it will make another important stage in our economic contacts," Yu Hongen was quoted as saying.

Messner Receives PRC Railway Official
LD2306174088 Warsaw Domestic Service in Polish
1500 GMT 23 Jun 88

[Text] Zbigniew Messner has received PRC Railways Minister Li Senmao. Janusz Kaminski, minister of transport, shipping, and communications, took part in the conversation, which was devoted to prospects for developing cooperation.

Siwicki Confers With PRC Military Officials
LD2306200788 Warsaw PAP in English
1600 GMT 23 Jun 88

[Text] Warsaw, June 23—PUWP CC Political Bureau member, Minister of Defence Florian Siwicki received here today member of the Chinese Communist Party CC, deputy head of the Main Political Board of the Chinese People's Liberation Army Zhou Keyu.

During the talks, the sides briefed each other on transformations and reforms in both countries and on the role of armed forces in those processes.

The sides stressed the importance of bilateral contacts in the strengthening of cooperation between People's China and Poland. The meeting was attended by head of the Main Political Board of the Polish Army, General Szacilo and by Charge d'Affaires a.i. of People's China in Poland Wang Yan.

Messner Meets Journalists at Poznan Trade Fair

AU1606201288 Warsaw TRYBUNA LUDU in Polish 13 Jun 88 p 3

[PAP report on meeting between Zbigniew Messner, PZPR Politburo member and chairman of the PPR Council of Ministers, and journalists on the opening day of the Poznan International Trade Fair on 12 June in Poznan: "In the Eyes of the Premier..."]

[Text] Asked by PAP and EXPRESS WIECZORNY journalists if the range of goods that Poland exports is improving, Zbigniew Messner said that that was the general impression. He stressed that this was true of electrical goods above all. He said: "Despite various problems and many shortages in the economy, the reform is producing positive results year by year, and this is reflected in the Polish pavilions at the International Trade Fair."

The next question was: "Do you think that a significant increase in exports would help the Polish economy land on its feet?"

Z. Messner: "This is so obvious that it is not worth discussing. Exports help to improve the balance of payments situation, which—as we know—is very awkward because of our debts. Greater exports permit greater imports, which create opportunities to increase production. No good modern economy can depend solely on its own resources. We must export so that we can import."

When the premier was in the Soviet pavilion, standing next to a stand with Soviet electrical goods, a television crew asked him: "How do you view the role of the International Trade Fair against the background of the second stage of the economic reform?"

He replied: "We should not connect everything with the second stage of the reform. We are developing something like an obsession about it. However, now that the subject has been raised, I would say that the main point is that greater enterprise independence permits the establishment of direct contacts with foreign partners. The best example here is the "Elpol" company, which has been so criticized by some reform 'dogmatists'. The company was set up by independent enterprises to raise standards in Polish electronics. And electronics is a field that drives an economy forward. That is also why this aspect of the fair interests me, including Soviet achievements in this field. The socialist countries should engage in more cooperation in the electronics field." When he was in the American pavilion, the premier noted that large American industrial and commercial firms were represented, which, in his opinion, was something that was missing last year. He said: "There are opportunities for developing bilateral cooperation with the United States, but this does not depend solely on us."

Trade Fair Concludes

LD1906215688 Warsaw PAP in English 1757 GMT 19 Jun 88

[Text] Poznan, June 19—The 60th Poznan International Fair has come to an end here today. The value of export-import and cooperation contracts signed at this year's fair considerably exceeded last year's figure.

According to preliminary estimates, Polish trade turnover with socialist countries exceeded 2.5 billion roubles, including Polish export contracts worth 2 billion roubles. The worth of contracts signed with Western countries surpassed 290 mln. dollars, of which Polish export constitutes 140 mln. dollar worth.

A considerable quantity of machinery and investment equipment was purchased on hard-currency markets, which augurs well for the boosting of Polish factories' modernization. Polish importers also bought big amounts of materials, semi-finished products, spare parts, and production components, as well as consumer goods.

The Soviet Union settled on top in the statistics of turnover with foreign exhibitors, ahead of Czechoslovakia, GDR, Yugoslavia, China, and Bulgaria. As for Western countries, Poland settled the largest number of transactions with firms from FRG, Finland, Austria, Italy, and Japan.

This year's fair has shown that Western and Third-World countries increase again their interest in Poland as a ready market. Almost all members of numerous official delegations and representatives of foreign industrial and commercial circles visiting Poznan revealed a live interest in the directions and timetable of implementing reforms and rules of undertaking economic activities in Poland. On the basis of talks held with Polish enterprises the visitors pointed to the increase in their productivity and economic enlivening in Poland, which, in their opinion, would favour further development of cooperation.

Rakowski Cites Need To Stem Tide of Pessimism

LD2306151688 Warsaw Television Service in Polish 1730 GMT 17 Jun 88

[Text] Mieczyslaw Rakowski has met with the management and journalists of the Radio and Television Affairs Committee. Meetings between radio and television journalists and Mieczyslaw Rakowski have a long tradition, but today's meeting was the first contact with him as a Politburo member and secretary of the PZPR Central

Committee responsible for propaganda. Improving journalists' work and the tasks arising from both the recent plenum proceedings and the new political situation were discussed. Mieczyslaw Rakowski said among other things:

[Begin Rakowski recording] I would also like you to have more courage in attacking the view that it is impossible to do anything good in Poland. I do not know if we can reverse this wave of pessimism, this wave of doubt and indifference, but I am asking you to try. Do everything possible to reverse this terrible course of events in Poland which is manifested in such thinking and the repeating of the opinion that here in our country—it is said: In this country—one cannot do anything. If our society, our nation—and this is my deep belief, my conviction—is to develop in this pessimism further, the best economic reform will not improve anything; even the best and the most noble attitudes, which are worth popularizing, will not change anything.

Well, it is an exceptionally difficult task to reverse this wave of national pessimism, particularly in today's (?exceptionally difficult) economic situation for the working man. However, this is a task that must be undertaken every day. Otherwise, simply—and I do not want to be a pessimist—we shall fall not only to the bottom positions in European statistics, but also our feelings of national dignity, our ambitions, will be stuck somewhere in a dark corner and we shall become a stumbling block of Europe, among other nations. In my opinion, it is possible to try to curb this pessimism. It is possible. [end recording]

Orzechowski, Czyrek Attend Ideology Meeting

LD2306192888 Warsaw PAP in English
1734 GMT 23 Jun 88

[Text] Warsaw, June 23—The PUWP CC Ideological Commission and the team for preparations for the 3rd national theoretical and ideological conference held a joint meeting here today.

Political Bureau member, PUWP CC Secretary Marian Orzechowski stressed that at the current stage of development of socialism the problem is both to generalize new experiences and critically verify and enrich theoretical conceptions on socialism.

Guidelines for today's discussion, which concentrated on pluralism and national agreement, were presented by Prof Mariusz Gulczynski.

The debates were attended by Political Bureau member, PUWP CC Secretary Jozef Czyrek.

Roundup of 14 Jun Plenum Speeches

AU2306113188 Warsaw TRYBUNA LUDU in Polish
15 Jun 88 pp 6, 7

[Roundup of speeches from the floor at the 14 June session of the Seventh PZPR Plenum]

[Excerpts] [passage omitted] Jan Turzynski, Central Committee member and first secretary of the PZPR plant committee in the mining plant in Polkowice, Legnica Voivodship:

[Passage omitted] In this country we have 82 institutions which keep on controlling everyone and everything. Every voivodship is subjected to innumerable controls, but only the Supreme Chamber of Control and the Main Territorial Inspectorate continue to reveal cases of incompetence, chaos, and so on, in voivodships. In view of this situation, I suggest that all control units should be recalled from voivodships. This would be a consistent action. I think that we should revise the system of control because, while we have reformed the center and have transferred certain powers to lower echelons, we have left the control system untouched.

Jozef Kolesniczenko, Central Committee member and chairman of the agricultural producer cooperative in Bonikowo, Koscian Gmina, Leszno Voivodship:

[Passage omitted] I declare that this year's changes in prices have again harmed agriculture, which is barely profitable in any case. For example, the prices of chemicals to protect crops have increased 100 percent, and the same can be said of synthetic fertilizers and fuels. The issue of contracted prices for production equipment is even worse. These prices keep on changing uncontrollably. It is unfortunate that agriculture has to use official prices, because this badly affects the finances of farms since the procurement monopoly is still in existence.

Price policy in agriculture makes it impossible to promote efficient farming. Today milk is profitable, but tomorrow it may be hogs that are profitable. And farmers are never sure what will be profitable the following year. I think that official prices for agriculture must be abandoned and that farmers must be helped by loans, especially investment loans.

Previously, we had no trouble with such loans, but there have been considerable difficulties in this regard this year, so that we will be unable to obtain enough credits even to buy more land. At the moment, the agricultural production cooperatives in Leszno Voivodship are unable to make any investments. We are in the middle of June, but so far these cooperatives have been able to obtain only one-sixth of the investment loans they need. A number of these cooperatives have just thrown in the towel and will not buy any machines and even land.

Our self-management body has always been up to standard and has always determined our farming, loan, and cadre matters. It does not need any outside interference. The control carried out on our harvesting machines was a misunderstanding. We know very well without any prodding that our machines must be in top condition for the harvest. We have to do this ourselves, because no Warsaw official will do this for us. And it is our task to decide when to repair our machines and how. I think that the recent checks carried out by outside officials were motivated by spectacular political gestures rather than by objective necessity.

Zdzislaw Swiatek, Central Committee member and first secretary of the PZPR plant committee in the "Red Basin" coalmine in Sosnowiec:

It is good that we have begun talking about cadres with increasing frequency and that specific solutions have appeared in this regard. It is true that we have forged ahead in many respects and have introduced new principles of recommendation for posts, competition for posts, and the cadre reserve, but we have still not been able to get rid of many bad habits and a bad style of work with cadres. I agree that certain principles contained in the resolution of the 13th Central Committee Plenum should be reviewed and adjusted to current requirements.

Let me ask a few questions in this connection: Is it really necessary at this moment to issue recommendations to an army of almost 270,000 candidates for managerial posts? Will we be able to establish whether these people have carried out our party policy? Will we be able to create a system of control that helps to eliminate bad individuals who wield some specific powers because we have given them their jobs? Practice to date has demonstrated that we are unable to cope with these tasks. [passage omitted]

Prior to this plenum, in my coalmine I was able to listen to workers' views on cadre policy. The upshot of these views is that during the realization of the second stage of the economic reform we should create a system that would provide material incentives for engineers and technicians who are able to devise various innovations. This group of workers thinks that we have still not been able to create a correct system of cadre rotation, which would involve a planned rotation of managerial posts in accordance with current needs and political standards. This lack of rotation helps to create conservative attitudes among some staffs and to induce them to defend their posts at any price. They think that the new jobs proposed to them signify demotion and a lowering of professional status. The cadre policy will continue to be very defective, unless this problem is solved and unless the rotation of cadres is well organized and sensible. [passage omitted]

Stanislaw Bar, deputy chairman of the OPZZ:

[Passage omitted] We have learned once again that a vague reform, which is realized in a chaotic manner, will be harassed by many unnecessary difficulties. We have learned our lessons from our observations and, especially, from the events last April and May. Our experts continue to work out two alternative concepts for implementing the reform, because we do not want to limit ourselves to only criticizing it, even though there is much to be criticized: the shortage of goods and services, wage chaos, uncontrolled prices, and the illogical system of taxation.

On the other hand, however, we are in favor of constructive cooperation. You should bear in mind that it is trade unionists and other working people who, thanks to their daily toil, help to keep the country above water. They work as well as is possible under the conditions of present work organization and quality of equipment, and they work as much as is possible with the present flow of production materials. It is simply unrealistic to drive people to work and to expect extra production militancy in a situation in which the flow of materials to the economy has receded overall.

What we are especially concerned about in light of the resolutions adopted by the congress of the reborn Polish trade unions is the drop in the living standards and in the real incomes of the working and retired people. During the first year after our congress, real wages in the public-sector economy decreased by 4 percent overall, but in various sectors and branches of the national economy this decrease amounted to as much as 9.3 percent. No branch of industry and no sector of the socialized economy has been able to keep real wages at the 1986 level. [passage omitted]

Research results we possess confirm that the present wage systems provide no incentives and do not reward effective and productive performance. Work continues to get relatively cheaper, and we continue to register its low share in the costs of production and in the national income. That is why no one conserves, rationalizes, and organizes our work correctly. This situation generates apathy, which is made even worse by the officially proclaimed thesis that it is prices that find it so difficult to keep abreast of wages. [passage omitted]

I wish to discuss another problem that has attracted everyone's attention, following the recent strikes. The problem is trade union pluralism, and we think that it is a secondary problem. The reborn trade union movement is by nature pluralistic in its philosophy, organization, and program. There is room in it for every orientation, as long as it abides by our Constitution. We think that there should not be two different trade unions in an enterprise, because this would not be in the working people's interest. Nor is there here any place for the various central trade union councils that are at loggerheads with one another. We have pluralism of attitudes and views in our trade union organizations in plants and in the OPZZ. What we do is represent. We do not govern. We do our work in line with the principles of accord and not of democratic centralism. What is desirable is for us to be able to approach the objects of our joint solicitude from various viewpoints—Poland and its interests, as well the interests of our working peoples. [passage omitted]

Jan Pawlaczyk, PZPR Central Committee member and first secretary of the PZPR Plant Committee at the "Biston" Factory in Lodz: [passage omitted] The party has created and is continuing to create conditions for national accord. Those who want to have already become involved in work for the good of and the future of socialist Poland. What remains is a group of professional troublemakers, who have chosen an extraordinarily dangerous way of making a living.

Society is very impatient and is to some extent susceptible to being manipulated by these "defenders" of workers' interests. However, what is more upsetting is the fact that this impatience is, although slowly and with difficulty, becoming the driving force behind the changes in Poland, especially economic ones. We in the party must realize that this stems from the enormous expectations that society attaches to the economic reform and the positive material effects that it is meant to produce. On the one hand, this view practically confirms the scale of social expectations but, on the other hand, it attests to an underestimation of the opportunities inherent in the material production and services spheres. [passage omitted]

Jerzy Szulc, member of the presidium of the Central Control and Auditing Commission, farmer, and president of the Workers' Sports Club in Kleck, Poznan Voivodship: [passage omitted] The unsatisfactory rate and scale of change is, among other things, the product of resistance to everything that is new from people who are solely concerned about their own or group interests. This is, in my opinion, an important check on our development.

Does this mean that we have a struggle ahead of us? Yes, a struggle to consistently implement the cadre policy drawn up at the 13th Central Committee Plenum, to systematically democratize the principles of the policy, and constantly expand the scope of decisions concerning managerial appointments. This is confirmed by the inspections carried out by Central Auditing and Control Commission teams.

We will also have to wage a struggle against parochialism, inertia, and thoughtlessness. I believe that the party and its organizations and membership will have to conduct intensive ideological and political and organizational work within in its own ranks and the milieus in which they operate. This work will be more difficult than it has been until now, especially because we are not too sure about how to treat cadre matters in the new companies, plants, and innovation and application enterprise that are mushrooming all over the place. We also do not know how to deal with these matters when foreign capital is injected into our enterprises. [passage omitted]

Andrzej Antoszewski, PZPR Central Committee member and a senior foreman responsible for the maintenance of power appliances at the "Florian" Steelworks in Swietochlowice, Katowice Voivodship: It seems to have become a custom to return to good resolutions, laws, and directives with a view to improving them. This is dictated by the country's sociopolitical and economic situation. However, people in society, including party members, ask themselves: Why do we return to these resolutions? Is it because of conceptual shortcomings that arise during their implementation? No. There is only one answer: Because of a lack of consistency in their implementation. If they were fully implemented, even with some minor slips, there would be no reason to return to them and ask where the mistake was made, the one that we at times admit and at other times pass over in silence.

A question that is often put to us is: Comrade, what is happening about the first and second stages of the reform? Inefficient enterprises are constantly holding out their hands for money earned by enterprises that are prospering. The state provides subsidies, and at the end of the year the profit-sharing payments that they make are higher than those in enterprises that are run well. [passage omitted]

I would like to raise the matter of the increasing number of companies, cooperatives, and firms that are being set up to help eliminate shortages, but in fact the effect is the very opposite. Goods are becoming scarcer. The companies and firms that are being set up are releasing money that is easily earned into the marketplace. On the other hand, they are drawing workers away from plants that employ highly skilled specialists. Something that I find completely incomprehensible is the emergence of agricultural cooperatives that, according to their names, are supposed to provide agricultural services, but in fact they have nothing to do with agriculture. [passage omitted]

Marek Karabin, PZPR Central Committee member and first secretary of the PZPR plant committee at the "Nowotko" Steelworks in Ostrowiec Swietokrzyski: With regard to accelerating the reform of the economy and improving the money-market situation, it is being proposed that a law on economic activity be passed in order to introduce the principles of: "economic freedom," "equality between sectors," and "what is not prohibited by law is permitted." These principles will make it possible to release greater collective activity and individual competitiveness, which should lead to an increase in the availability of goods and an improvement in the services field.

I fully agree with this, but at the present time, when the second stage of the economic reform is being implemented too slowly, actions of this kind may entail serious dangers. The good wages being paid in the private sector, by Polonian firms, for example, create a very great danger for the employment situation in large, state-owned industrial enterprises. I think that steps ought to be taken to fully implement the principles of the second stage of the reform in state enterprises as quickly as possible (this is particularly true of the restructuring of industry) so that wages are competitive with those being paid in other sectors. Second, with respect to political and democratic reforms, I would like to draw particular attention to internal party echelon activity concerning work with young people. The protest actions involving young people that took place in May indicated discontent, especially about the implementation of government programs designed to improve initial career and other opportunities for young people. [passage omitted]

Tadeusz Kasprzyk, PZPR Central Committee member and first secretary of the PZPR Plant Committee at the Transportation Equipment Plant of the County Communications Administration in Krosno: [passage omitted] The situation today is much worse, and this is often through no fault of ours. We have done a great deal to crush initiative, enterprise, and excellence. We have done a great deal to show that criticism and courage in presenting it are qualities that are not viewed kindly. We have also done much to smother innovativeness, interest in acquiring further skills and qualifications, and a desire to take risks in professional life. Instead of honesty and candor, we introduced anonymity, duplicity, bootlicking, and eyewash into contacts with authority. Saying what is expected has so often been a substitute for creative criticism. That was practice in a majority of cases, and that is why the effects are so extensive, and the fact that this went on for a long time has created pessimism among the people and a lack of faith in the possibility of change. This is why morale is low, why vocational aspirations are lower, and why there has been an enormous drop in actual patriotic commitment. [passage omitted]

Andrzej Ornat, first secretary of the PZPR Voivodship Committee in Siedlce: The program of political and economic reforms that was launched on the initiative of our party is being implemented with difficulty and amidst outdated systems of values and structural arrangements. These changes are encountering obstacles, which we have not been able to overcome so far. It seems that the extent to which the economic reforms have been implemented thus far amounts more to adjustments to the system for the management and operation of the economy than to a reorganization of its structural composition. This is why only some of the elements of the new economic mechanism are working. These elements alone cannot ensure a rapid improvement in the economy. [passage omitted]

Jerzy Swiderski, PZPR Central Committee member and chief of the PZPR Central Committee Cadre Policy Department: [passage omitted] There can be no concessions to sluggish directors, managers, and chairmen. There are no and there cannot be any so-called good, committed comrades running weak enterprises, people who are supposedly committed to the party but incompetent, people who are politically committed but poor organizers, and people who are unable to win over allies and persons who are able to carry out the reform processes that our party is leading. [passage omitted]

Iranian Foreign Minister Continues Visit

Further on Ceausescu Meeting

LD2206113188 Tehran Domestic Sevice in Persian 1745 GMT 21 Jun 88

[Text] The Central News Unit reports that Foreign Minister Mr Velayati met with Romanian President Ceausescu in Bucharest yesterday and talked with him about international issues.

At this meeting, the Romanian president said: This meeting will be effective in strengthening bilateral relations. He expressed his hope that he can meet with our president in the near future.

Regarding international issues and the recent discussions between the superpowers, he said: History is full of the commitments of big powers and their violation of their commitments. The Romanian president added: We attach great importance to Iran and we believe that Iran has had an enormous role in shaping world civilization. Ceausescu also said: The economic progress of industrialized countries has been at the expense of the impoverishment of Third World countries. The world economic system should be directed toward a just system.

Ends Visit

AU2206154988 Bucharest AGERPRES in English 1521 GMT 22 Jun 88

["Visit to Romania of the Foreign Minister of the Islamic Republic of Iran"—AGERPRES headline]

Over June 20-22 the minister of foreign affairs of the Islamic Republic of Iran, 'Ali Akbar Velayati, paid a visit to Romania.

During the talks held between Ioan Totu, Romanian minister of foreign affairs, and 'Ali Akbar Velayati analysis was made of the present stage of the relations between Romania and Iran, of the ways and means of the further development of the economic, technical-scientific collaboration as well as in other domains. Opinions were exchanged related to the main problems of contemporary life.

The guest was received by Nicolae Giosan, chairman of the Grand National Assembly, and had an interview with Victor Ciobanu, minister of health.

During his stay in Romania, the Iranian minister visited units of social and cultural interest in the capital.

Andrei, Totu, Milea Receive Nigerian Delegation

AU2106185888 Bucharest AGERPRES in English 1733 GMT 21 Jun 88

[Text] Bucharest AGERPRES 21/6/1988—High executive staff of the Federal Republic of Nigeria, students of the National Institute of Polytechnic and Strategic Studies under the foreign minister of Nigeria, headed by Dr. E.E. Soladoye [name as received], director of studies, paid a fact-finding visit to Romania.

The guests were successively received by Deputy Prime Minister Stefan Andrei; Foreign Affairs Minister Ioan Totu; Col.-Gen. Vasile Milca, minister of national defence, and had interviews with executives of other ministries, of the Academy of Social and Political Studies under the CC of the RCP, of economic units and sociocultural institutions in Bucharest and in Arges and Constanta Counties. They also saw around industrial enterprises and farming units.

PEC Stresses Disciplinary Measures, Laws

AU2106135388 Bucharest SCINTEIA in Romanian 19 Jun 88 pp 1, 5

[Unattributed article entitled: "Maximum Responsibility for the Firm Application of the Country's Laws and Party-State Decisions"]

[Text] Yesterday's press published the communique of the 17 June 1988 meeting of the PEC of the RCP Central Committee, whose agenda also included a discussion of a report on the storage of certain amounts of industrial chemical and petrochemical waste in the free port of Sulina. The communique presents in detail both the actual facts, which are in violation of the country's laws and party-state decisions, and the measures adopted in this respect. It emphasizes once more the firm need to always observe socialist legality and strongly assert a completely responsible attitude, at all levels, toward applying the country's laws as an essential element of the smooth development of socioeconomic activity.

The laws reflect the will of the people. The laws emphasize and sanction the people's choices and give order to the work and activity of each sector, proceeding from the objective requirements of development and from the political and social ideals of our socialist nation. To disobey the law means to violate the will of the masses, wittingly or unwittingly to encourage acts of indiscipline, and to affect, in the last instance, the smooth progress of work in a given field.

In view of the particular importance of laws for the proper development of socioeconomic work and life, a broad and comprehensive system of laws was conceived and formulated in the period inaugurated by the Ninth RCP Congress, at the initiative and under the direct guidance of RCP Secretary General, Comrade Nicolae Ceausescu. This system of laws sets clear guidelines for the activity of each working collective. It is important that the laws should be strictly observed and implemented, as an expression of the general interests of the working people and our entire society.

One should point out that the PEC of the RCP Central Committee conducted this examination and adopted these measures at a time when the whole party and nation are discussing most important points included in the theses of the RCP Central Committee plenum, theses that aim at comprehensively improving the management activity and increasing its socioeconomic efficiency. Our party's program documents clearly emphasize that the decisive processes for our current stage, such as improving management and developing socialist democracy, are and must be constantly based on respect for the unflinching implementation of the country's laws.

As Comrade Nicolae Ceausescu said in his speech to the joint meeting of the National Councils of Working People and Agriculture, it is necessary to "properly understand that democracy does not mean anarchy or that everybody can act as he pleases; on the contrary, democracy means that one should rely on clear laws, and that our whole work should be based on laws approved by our democratic bodies and the Grand National Assembly, as these laws are meant to regulate and ensure the harmonious and uniform development of the entire activity!"

Within the framework of our socialist democracy, the responsibilities incumbent upon ministries, central bodies, units, management cadres, and working people's collectives in the enforcement and observance of all laws, including environmental protection, are of great socioeconomic importance. The managers of enterprises, central departments, and ministries are meant to lead and carry on their work by observing the law. Not by shunning the laws, but rather by observing them will they, as well as the cadres subordinate to them, be able to commendably fulfill their duties and responsibilities.

The analysis conducted and the measures adopted by the PEC of the RCP Central Committee in connection with the relevant report draw attention to the need to show particular concern for and strictly observe the legal norms on depositing industrial waste.

There are laws that totally prohibit the introduction and depositing on Romanian territory of any kind of substance that poses a danger to the security and health of the people. Concurrently with the examination of this case and the adoption of the required measures, the PEC of the RCP Central Committee requested the government and other state bodies to introduce a high spirit of responsibility in enforcing and strictly observing the state's laws and to firmly see to it that the interests of the people and country are never jeopardized by anything or anyone, as the communique points out.

Industrial waste can only be stored under conditions stipulated by law. In this respect, great responsibilities also devolve on our country's productive enterprises, their collective management bodies, and the higher echelons, that must operate in the spirit of socialist legality.

The guidelines laid down in party documents and the provisions stipulated by the country's laws are not optional; on the contrary, they are absolutely compulsory for the collective bodies and for all working people and citizens. In keeping with a principle of our socialist legal system, the law is one and the same for everyone; therefore, it is all the more important for people in managerial positions to work in a spirit of greater responsibility to exactly implement all legal provisions. In this respect, the measures adopted by the PEC of the RCP Central Committee are quite clear. For flagrant violation of the country's laws and abuse of power, for superficiality and lack of responsibility in the conclusion of foreign contracts, for failure to strictly observe rules on the discharge of their control duties, and for disinformation, certain responsible cadres were demoted or otherwise sanctioned.

Of course, the principle of collective leadership operates in our revolutionary workers democracy. However, the collective responsibility of managerial bodies does not replace individual responsibility; on the contrary, it strengthens it. Each management cadre has direct and clear responsibilities in a given sector and is duty-bound to fulfill them in an exemplary manner, in full accordance with the provisions of party-state decisions and the country's laws.

At the same time, the bodies created by society to ensure the lawfulness of our system have the important task of firmly supervising the strict observation of legal norms, preventing violation of them, and taking steps to forestall abuses.

The Sulina free port case and the concluding of illegal contacts with a foreign company reflect certain irregularities in our foreign trade activity. As is well known, our country is intensifying relations of cooperation and specialization with all states and strengthening its cooperation and production, sharing with them on the basis of long-term agreements that can give stability to these ties. However, in Romania's international trade, like in our domestic activity, it is necessary to ensure a high spirit of responsibility in the enforcement and observation of the state's laws by each clerk, up to the minister.

In the democratic system of our socialist society, the law, which reflects the people's will and interests, is an absolutely necessary and efficient instrument of the management and planning of our socioeconomic life. This means that nobody, regardless of his position and responsibility, can ignore the law. Anyone who violates the law—through nonfulfillment of duties, superficiality, abuse of power, disinformation, or anything else—must account for his deeds.

The theses for the RCP Central Committee plenum point out that the system of our revolutionary workers democracy gives priority to harmoniously blending the role of central bodies with the responsibilities incumbent upon all socioeconomic units and emphasizes the requirement that each party-state activist and each member of a management collective should appropriately fulfill his duties, in complete accordance with legal provisions, and should periodically report on the way in which he is doing his job.

Current requirements of efficient management in all spheres demand that one should pay greater attention to improving the comprehensive political, professional, scientific, and cultural training of managerial cadres. In this respect, it is necessary to take firm steps to prepare general training programs that ensure an understanding of the country's laws. The problems regarding knowledge of the law and the strict observance of legal norms should also be taken into consideration in competitions for vacant managerial positions.

The country's socioeconomic development and the implementation of all established targets requires a greater spirit of responsibility from party bodies and organizations and from other democratic management bodies in ensuring that resolute steps are taken in all fields to strengthen socialist legality and establish a climate of order, discipline, and profound respect for the country's laws. The ideological, political, and educational activity should intensify its efforts to ensure that all party-state cadres, all communists, and all citizens become familiar with and thoroughly master the letter and spirit of the laws, and apply and observe them under all circumstances.

Ioan Ungur Appointed Foreign Trade Minister

AU2306063388 Bucharest AGERPRES in English 0538 GMT 23 Jun 88

[Text] Bucharest AGERPRES 23/6/1988—Under presidential decree Ioan Ungur was appointed minister of foreign trade and international economic cooperation.

Ceausescu Addresses Basic Party Cadres Meeting

AU2306181888 Bucharest AGERPRES in English 1743 GMT 23 Jun 88

["Meeting on Questions of Party Organizational and Political-Ideological Activity"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 23/06/1988—The meeting with the staff and basic cadres in the domains of party organizational and political-ideological work was held in Bucharest on June 22 and 23.

The attendance included full and alternate members of the Executive Political Committee of the CC of the RCP, secretaries of the Party Central Committee, secretaries for organizational and propaganda problems of counties' party committees and of the Bucharest Municipality Party Committee, other party activists, executives of mass and public organizations, of the Ministry of Education and Instruction, of the Council of Socialist Culture and Education, of creative unions, of the Academy for Social-Political Studies of the CC of the RCP, editors-in-chief of the central and county press.

Appreciating and espousing the theses, ideas and orientations in the exposition the RCP general secretary, Nicolae Ceausescu, read at the meeting of the Executive Political Committee of the CC of the RCP of April 29, the participants debated, in the light of this programmatic document, the ways and directions of action for the intensification, improvement and increase of the efficiency of the organizational and political-ideological work, for the mobilization of the entire people's efforts and creative energies for the exemplary fulfilment of the targets set by the Thirteenth RCP Congress and the RCP National Conference, of the party programme.

In conclusion of the meeting's proceedings, Nicolae Ceausescu, RCP general secretary and Romania's president, made an extensive and important speech.

Symposium Marks 1848 Revolutionary Anniversary

AU2106175288 [Editorial Report] Bucharest SCINTEIA in Romanian on 19 June carries extensive coverage of the "Scientific Symposium Dedicated to the 140th Anniversary of the 1848 Romanian Revolution." On page 1 it carries the 1,300-word telegram from the symposium participants to President Nicolae Ceausescu and it devotes the whole of page 2 to a 6,500-word report on the scientific symposium entitled: "The Historic Significance of the 1848 Romanian Revolution. Comrade Nicolae Ceausescu's Concept on Developing Socialist Revolutionary Patriotism and Strengthening the Unity of All People for Romania's Free and Dignified Affirmation Among the Ranks of World States."

The 6,500-word report on the symposium consists of the 1,500-word text of the opening speech delivered by Manea Manescu, member of the Political Executive Committee of the RCP Central Committee and vice president of the State Council, and of seven reports, ranging from 600 to 1,000 words, on papers presented to the symposium by party and government officials.

In his opening speech Manea Manescu mainly deals with the historical background that led up to the 1848 revolution in Romania. In this context, he stresses that "the social, political, and national contradictions in Romanian society were the source of actions and demands of the 1848 generation; they determined the progress of the 1848 revolution as the only possible means for radical changes." The speaker also stresses that "there was quite a different situation in Transylvania, where the Romanians faced narrow nationalistic views of forces that proclaimed themselves revolutionary while, in actual fact, they harbored convictions of political and social domination over the majority population." He cites Marx as saying: "Up to 1848, the Romanians in Transylvania were viewed as a tolerated nation on their own soil, although they made up two thirds of the population."

Manescu concludes his speech by saying that "the tremendous achievements throughout the past 20 years since the historic Ninth RCP Congress are closely linked with the monumental sociopolitical work of our wise leader and his gigantic revolutionary activity, which are reflected in his decisive contribution to our country's multifaceted development."

Following the text of Manescu's speech, SCINTEIA carries a 1,000-word report on the paper read by Constantin Olteanu, member of the Political Executive Committee of the RCP Central Committee, entitled: "Comrade Nicolae Ceausescu's Concept on the 1848 Romanian Revolution as an Objective Historic Requirement for Achieving our People's Ideals of Social and National Freedom, and of Independence, Unity, and Progress." Olteanu deals with the historical background of the 1848 revolution, which he describes as "a cornerstone on the road to winning the Romanian people's social and national freedom and to our homeland's progress and civilization." He says that, "as the legitimate continuer of the people's traditions in their longstanding struggle for freedom, social progress, and independence, our Communist Party keeps alive our nation's responsibility in enriching these traditions through their work to implement the programs aimed at our homeland's prosperity."

The remaining six papers presented at the symposium, ranging from 800 to 600 words, are reported as follows: "The RCP—The Continuer of the Most Advanced Traditions of the Romanian People's Struggle for Social Justice and National Freedom, for Progress and Civilization" presented by Ion Popescu-Puturi, member of the RCP Central Committee and director of the Institute for History and Sociopolitical Studies Attached to the RCP Central Committee; "The Antifascist and Anti-Imperialist Revolution for Social and National Liberation of August 1944—an Excellent Crowning of the Romanian People's Struggle for the Independence and Defense of the Homeland" presented by Ilie Ceausescu, deputy minister of national defense and secretary of the Higher Political Council of the Army; "The Concept of Comrade Nicolae Ceausescu, RCP Secretary General, on the Construction of Socialism With the Peoples and for the People" presented by Gheorghe Oprea, member of the Political Executive Committee of the RCP Central Committee and first deputy prime minister of the government; "Comrade Nicolae Ceausescu's Decisive Role in Constantly Developing Workers Revolutionary Democracy and in Creating and Perfecting the Broad Democratic System of the People's Participation in the Leadership of Society" presented by Miu Dobrescu, member of the Political Executive Committee and chairman of the Central Council of the General Union of Trade Unions; "The Concept of the RCP and of its Secretary General, Comrade Nicolae Ceausescu, on the Decisive Role Played by Science, Education, and Culture in Molding and in Developing the Socialist Awareness of the New Man With Progressive Ideas About the the World and Society" presented by Ion Ursu, candidate member of the Political Executive Committee of the RCP Central Committee and first vice chairman of the National Council for Science and Education; and "Comrade Nicolae Ceausescu's Decisive Contribution to Formulating and Implementing our Party's and State's Foreign Policy Aimed at the Free and Independent Development of Each Nation and at Strengthening Peace and Cooperation Among Peoples" presented by Ion Stoian, candidate member of the Political Executive Committee of the RCP Central Committee and secretary of the RCP Central Committee.

All the speakers praise Nicolae Ceausescu's role in creating a broad democratic system in Romania and the RCP's domestic and foreign policy based on respect for peoples' "inalienable right to independently decide on their political and socioeconomic development road."

The report notes that at the end of the symposium the participants sent a telegram to Nicolae Ceausescu. The text of the 1,300-word telegram, which is carried by the 19 June SCINTEIA on its front page, is entitled: "Telegram Addressed to Comrade Nicolae Ceausescu, RCP Secretary General and President of the Socialist Republic of Romania, by the Participants in the Scientific Symposium Dedicated to the 140th Anniversary of the 1848 Revolution in Romania." In the telegram, the participants sum up the symposium and pledge to place all their "creative and work energy in the service of implementing the great targets of the 13th RCP Congress and National Conference."

Presidency Discusses Economic Reform

LD1706214088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1452 GMT 17 Jun 88

[Text] Belgrade, 17 Jun (TANJUG)—At its meeting on 16 June which was attended by the presidents of the republican and autonomous province Presidencies and by top official of federal organs, the SFRY Presidency discussed the initial activity in implementing the new economic policy and the economic reform measures. The meeting stressed the following points:

1. With the new economic policy measures, the reform of the economic system, and changes in the SFRY Constitution our society is entering a new stage of its development. In this stage the impact of the market will become the dominant factor in our economic life and will substantially alter and reduce the role of the state. This has decisive significance for overcoming the crisis and will open up a new scope for the development of socialist self-management democracy.

It was noted, however, that despite the invested efforts, the preparations are still not appropriate for the depth of the changes and the gravity of the situation. In many organizations of associated labor [OUR], institutions, and sociopolitical communities concrete programs of measures and activites have still not been adopted. The workers have not been adequately and properly informed about the substance of the measures. This makes it difficult for the economy to become adapted to the new conditions of economic management, with the result that rather difficult problems with potentially more serious consequences are being manifested in individual OUR's and in sectors of the economy.

The incipient economic reform cannot be carried out without exceptional efforts and consistent application of and respect for agreed economic policy measures. All sectors of society must persist uniformly in their implementation because any deviation from the reform would deepen the crisis. Only successful implementation of the reform will secure a gradual rise in production and exports and a more dynamic development as a whole. This will make it possible for the problem of unemployment to be resolved more efficiently and the standard of living to be increased. The organization, mobility, and responsibility of everyone in our society—in keeping with the gravity of the situation and the need for urgent changes—is the condition to attain this.

All of this requires thorough preparations and a concrete activity in our society as a whole. It requires every OUR, every institution, and every sociopolitical community to work out and to carry out a concrete action program of measures and activities to ensure successful implementation of the economic reform.

The action programs of measures and activities in OUR's and in sociopolitical communities must in a most concrete way express the policy of greater reliance on one's own resources and maximum use of internal reserves. The role and the responsibility of organs of administration and workers' councils in this respect is greater than anybody else's. However, the success of the economic reform is impossible unless the workers are included directly and actively in the totality of the preparation and the implementation of these programs.

The FEC and the appropriate organs in the federation and in the republics and autonomous provinces are obliged to routinely monitor the implementation of the economic policy measures, to coordinate them, and if necessary update them when they are not confirmed in practice. It is also important that instances which could unfavorably influence the implementation of the agreed policy should be rapidly reacted to. Certain mistakes made during the operationalization of some of the new economic policy measures serve as a warning of this.

The bold and extensive involvement of new professional and creative cadres unburdened by the old method of behavior and business management is of greatest importance for the successful implementation of the reform and for overcoming the economic crisis. Their work will make the biggest contribution to the faster adaptation of the economy and of our society as a whole to the new work and development conditions.

2. The economic restructuring must contribute to higher production, higher exports, and the higher productivity and efficiency of business operations. Only that orientation of OUR's which is in tune with the requirements of the market will be able to expand the scope for their development and for increasing the standard of living. OUR's which get into difficulties because of their own irresponsible market behavior and failure to adapt to the market requirements cannot expect support from society.

Every OUR must take stock of its situation immediately and thoroughly, in keeping with the new conditions of economic operations, and adopt comprehensive and concrete measures to improve the way their work and business activity is organized, to reduce the cost of operations, to update technology, to increase exports, and so on.

Since there will be OUR's which experience difficulties during their current operations but whose development programs have a chance of succeeding, their position must be made easier for a while by reducing their taxes and contributions and so on. In this way, they will be given assistance to create the conditions for more successful development.

In a situation when the purchasing power of the population is decreasing and when domestic demand is stagnating, the greatest importance is attached to exports to intensify production. This is why economic policy measures must be used constantly to encourage the profit motivation of exporters.

3. The Presidency points out that curbing and reducing excessive inflation and reaching the target of 90-95 percent rate of inflation by the end of the year is one of the most important tasks for a successful and comprehensive implementation of economic reform. The system of providing an incentive for the workers to increase productivity and income, the dimension of social problems, and also the attainment of the standard of living at the planned level all depend on this.

Overshooting the target rate of inflation would seriously aggravate social problems and put a section of the working class into an even more difficult situation. That would turn them against the economic policy measures and even against economic reform.

As a result, the OUR's which freely set their prices must make their decisions with a greater sense of responsibility, bearing in mind the fact that they themselves will run the economic risk of higher prices. The same responsibility for maintaining the target rate of inflation devolves also on the assemblies and on the executive organs of sociopolitical communities whose jurisdiction covers prices under direct social control. The FEC and the Executive Councils of the Assemblies of the republics and of the autonomous provinces must cooperate as closely as possible in order to secure the efficient functioning of the commodity reserve system and of other market economic interventions—with intervention imports and by preventing a monopoly situation—and in so doing contribute to achieving the target rate of inflation.

4. In the new conditions of business operation the social position of that section of employees who, in addition to appropriate social support, will not be in a position to adapt their programs to the new stricter market demands, will become worse. Social problems will become aggravated also because of the need to consistently apply the agreed policy of the distribution of personal income in view of the fact that the parameters for achieving the target rate of inflation must be maintained.

For this very reason the SFRY Presidency points out that it is a direct commitment of every OUR, municipality, and other sociopolitical communities, in keeping with the new situation, to radically update their social policy programs. The solution of these problems is an indispensable condition for preventing deviation from the economic reform.

5. The SFRY Presidency stresses that because of the importance of resolving certain economic stabilization issues, the work on which is not sufficiently organized and efficient, the following must be done without delay:

—The republics and the autonomous provinces, as well as the municipalities, must immediately adopt considerably more favorable regulations on small businesses, with as few conditions and restrictions as possible, so as to contribute to their essentially more rapid development;

—An efficient program of measures to genuinely stimulate the inflow and involvement of foreign currency held by our workers abroad, as well the inflow and involvement of the foreign currency owned by our citizens, must be worked out. The FEC and the appropriate organs must speed up their work on this;

—Consent has to be achieved between the republics and the autonomous provinces on financing the construction of the Brotherhood and Unity Highway and on the construction of a road system which will benefit the entire country. This will contribute to stepping up the overall economic activity.

6. In view of the fact that the restructuring of our commitments relative to our foreign credits will reduce the burden of our debt in 1988 by about $2 billion, it must be ensured that the resources under this heading and also the new credits should be channelled exclusively into production purposes, that is, to strengthen the quality of business operations, technological organization and innovation, and export production programs, and to construct a fairly large number of small modern production units.

7. Implementation of the economic reform, especially the solution of social problems, is impossible unless the taxation system and taxation policy are essentially improved. This is one of our most urgent tasks. In the current situation, in addition to economic development solutions, special significance attaches to solutions in the taxation system and taxation policy which contribute to a more even distribution of the burden of economic reform and to prevent unjustified social stratification, and also to encompass the income which is not the result of one's work. It is not permissible to allow the promotion of the taxation system and of the taxation policy to be put off any longer. The greatest responsibility for the implementation of these commitments devolves on the appropriate organs in the republics, autonomous provinces, and municipalities.

8. Since unproductive expenditure and social overheads are unjustifiably high there is a commitment, especially by organs of sociopolitical communities, by institutions of the system, by OUR's, and by all forms of their organization, to urgently take the necessary measures with which to rationalize the social organization and to reduce the social overheads to an acceptable level which will serve the requirements of development. The budget expenditure of every sociopolitical community must be contained within the framework of the accepted distribution proportions.

9. Economic reform implies a decisive break with the practice of not implementing agreed policy and adopted measures. For this reason social control over the work of all executive and management organs must be strengthened urgently from the point of view of their responsibility to efficiently and properly carry out the functions entrusted to them. At the same time, the practice of

routine reports by self-management organs and by the assemblies of sociopolitical communities on the implementation of the economic policy measures must be established at all levels. In this respect, the biggest role is to be played by the delegate assemblies and by the actions taken by sociopolitical organizations.

10. Bearing in mind the fact that the economic reform is of the greatest social importance for the stability of our society and for our further development, there must be no hesitation or retreat in implementing it because that flatly contradicts the vital and lasting interests of our working people and citizens and of all our nations and nationalities.

We can succeed in implementing all major changes aimed at further social development only with single-minded and joint efforts, coupled with full social mobilization of all organized socialist forces and political stabilization of our society.

All social and political forces must efficiently and successfully press for the implementation of these tasks. They must resolutely prevent and eliminate even more quickly every negative manifestation and mistake in our society, constantly stepping up the struggle for consistent respect for constitutionality and legality. The Presidency points out the enormous damage which the creation of a destructive atmosphere, encouragement of mistrust and conflicts, scandal-mongering and intrigues can inflict on these efforts. This not only makes our struggle for economic reform difficult but jeopardizes the democratic character of the system and inflicts great damage on our country's reputation in the world. In the formation of a favorable climate and the mobilization of all social forces for economic and social reform, an important role and great responsibility devolves on all forms of sociopolitical organization, including the public information media.

During the coming summer period there should be no respite in the effort to implement the already approved measures, in further preparing the changes in our economic system, and in implementing a comprehensive economic reform, as well as in the timely adoption of constitutional amendments on the basis of full agreement of the republics and autonomous provinces. All the organs in the federation, socialist republics and socialist autonomous provinces, municipalities and working collectives, and all working people are duty-bound to ensure continued work on implementing these tasks.

Korosec Interviewed on Agricultural Policy

AU2106123788 Belgrade POLITIKA in Serbo-Croatian 13 Jun 88 p 5

[Interview with Stefan Korosec, member of the LCY Central Committee Presidium, by Slobodanka Andric: "With Reform to More Rational Food Production"—date and place not given]

[Text] Strategy With Many Tactics [subhead]

[Andric] At the recent LCY conference the questions of agriculture and the LCY Central Committee stances on agriculture were raised in particular. On that occasion it was stressed among other things that our country does not have a unified agricultural policy. We lack a unified strategy for the development of agriculture, and we even lack a unified food market. Is the forthcoming reform, in your opinion, an opportunity to remove these defects?

[Korosec] If under a unified agricultural policy you mean the agro-industry's strategy, then this is a valid question, and the answer would be that the preparations are being finalized for adopting a social agreement on the realization of the strategy of the development of the agro-industrial production until the year 2000. However, it would be a great illusion to create a unified policy under the conditions of very noticeable differences in agricultural production. In practical terms, it is not possible to apply the same policy in the mountainous region, the Mediterranean parts of the country, the Pannonian basin, and the Sumadija region, or to apply it according to "pure" or "mixed" households, and so forth. Therefore, we need a unified strategy that would proceed from the reform, but the strategy that would transform itself into a multitude of tactics adapted to certain regions and their specific conditions, tactics that would lead to the same goal, to nationalization in food production.

[Andric] The reform of the economic system will also set certain tasks for the collectives in agriculture. The turnaround in the role of agriculture of a "supplier" and the strengthening of its orientation has been announced. How can this be achieved?

[Korosec] We need a thorough reform, reform that will change both economic and political factors, and introduce changes in the LCY so that it could act even more in accordance with its place in the system. The LCY conference demonstrated clear and unified stances on the direction of the reform. These are a market oriented production, the independence of economic entities, the pluralism of ownership relations, and finally changes in development strategy. These directions must be sought through the changes in the economic and political systems as the prerequisites for a faster transition from an extensive to an intensive way of conducting business. But as far as agriculture is concerned, we must take into consideration the specific features of its production cycles and its production character. This would require certain involvement by the state which must be in concordance with the demand for the independence of economic entities, and the market and commodity production laws. The reform itself will be of a more profound meaning for the development of agriculture, above all in the sense of changing the production structure and achieving greater business efficiency.

The reform's solutions will require changes in certain segments of agricultural policy. One particularly important area will be the financing of reproduction, because of the present difficulties such as growing illiquidity, agriculture's huge indebtedness, high interest rates, and so forth. It appears that in introducing the reform one of the essential questions will be how to develop different forms of self-financing of reproduction in the development. This is why we are searching for solutions in constitutional changes, particularly as regards cooperatives' ownership and the development of cooperatives. This does not mean that in the future there will be no need for social funds, but the reform seeks new forms of financing agriculture.

Behind the World [subhead]

[Andric] What happened to the unified Yugoslav market for food, and does the lack of it represent a major obstacle to the development of the agro-industry?

[Korosec] Of course we lack a modern unified food market. However, I would like to say that we also lack something more than that, and that is a world market, particularly developed world market as a whole. What is also lacking is our significantly greater presence in the world food market, as well as the world's market presence in our country. We have still not rid ourselves of closing the local markets to "outside" competition, and the security organs often intervened at local borders to prevent the "export" of local products to "foreign" processing and trading organizations.

[Andric] The question of the concept of ownership is regarded as the central theme of constitutional changes. But the opinions on cooperatives' ownership are divided. In your opinion, is there still a fear that the associated peasant is a "danger for Yugoslav agriculture?" To what extent is this fear directed against the reform itself?

[Korosec] The attitude to peasants is the "Achilles' heel" of socialism. Although we have gone a long way away from the countries with "real socialism" in the treatment of the individual agricultural producer, the presence of the recidivism of the outdated ideas of some prominent theoreticians are still felt in our ideas and practice. They predicted that, under the burst of industrialization, small-scale commodity production and its exponents would collapse. This, of course, did not happen, nor will it happen for some time to come. In East Europe the authorities resorted to the administrative liquidation of small-scale commodity production and peasants. We have not done this, but have retained up to now numerous reservations about peasants allegedly becoming rich, their possible political influence, and so forth. I think that without an ideopolitical struggle against the obsolete view of the peasant—and, of course, taking appropriate measures to support small-scale commodity production in the production process, and enlarge it and integrate it—there can be no rapid development of the agricultural industry in Yugoslavia.

[Andric] Have we finally overcome ideological prejudices about landholding maximums as the "grounds for peasants becoming rich?"

[Korosec] Generally speaking these prejudices have not been and probably will not be overcome for some time, but the prevailing view is that we must take a further step. The essence of this question is that we must ensure that the land, as social property of joint interest, is continuously protected and rationally used for production, and that agricultural producers and farmers are ensured security in their production. This question must be seen in the context of dynamism, in connection with the developments in technology and equipment, and by acknowledging economic criteria. From the discussion about constitutional changes held up to now it is increasingly obvious that it will be necessary to set in the Constitution a lower minimum on landholdings, while it will be left to the republican laws to set the maximum limits, taking into account the specific characteristics of some regions. One must point out that discussions on constitutional changes are not over yet, but in my opinion, the view that the landholding maximum is the grounds for peasants getting rich is increasingly fading while the awareness that we must rid ourselves of some dogmas as soon as possible is becoming stronger.

About Slovene Peasant Union [subhead]

[Andric] What is your comment on the founding of the Slovene Peasant Union? What are the chances that this will contribute to the creation of a more just position of agriculture and that it will change attitudes to food production?

[Korosec] The press wrote extensively about the initiative and the founding of the Slovene Peasant Union and the Slovene Peasant Youth Union. It is difficult to add anything essentially new to it, to what this union is today and what it will be in the future. But I think that it is important to make at least some things clear. Similar initiatives as well as different professional organizations also existed in the past. They were particularly intensified at the time of extensive discussions about agricultural policy. Last year, at the republican and federal level we conducted fairly detailed and extensive discussions on the problems in the development of the agro-industrial complex and the direction of a faster and more effective development of agriculture. It is obvious that agricultural producers are not satisfied with their own position and the position of agriculture, as well as with a part of the agricultural policy. This dissatisfaction is amplified by the current situation: a gap between social tenets on the more rapid development of agriculture and the village and the real economic position of agriculture. Taking into consideration our entire social and economic situation, an initiative was proposed to found a Slovene Peasant Union. On 12 May a meeting was held Ljubljana at which, in addition to peasants, some experts and scientist from other parts of Yugoslavia also took part.

Another question is the nature of this organization. According to the present tenets and stances, this organization is not a political movement, but a professional social organization whose ambition is to deal exclusively with peasants' economic and social questions. It is expected that this organization will strive for a better position of peasants and agriculture, for progress, and for their economic and social equality. According to my information, this is the Slovene Peasant Union's main orientation. But, of course, there are other, extreme views. One must not forget that the Slovene Peasant Union works within the SAWP and represents a form of peasants' activity.

Two Priority Tasks [subhead]

[Andric] Which are, in your opinion, the most topical problems in agriculture after the introduction of the economic measures of 15 May?

[Korosec] We lack the assessments of the effects, problems, and reaction to the FEC's measures as a whole. This, of course, also applies to agriculture. At present, I can only say the following: Numerous institutions and associated labor organizations have not properly organized themselves and have not begun to adapt themselves to the new economic policy measures. The impression is that society is not sufficiently prepared and organized to adopt these measures. According to some estimates, the measures will favorably affect the export of agricultural products and foodstuffs. As far as agriculture is concerned, the adopted measures are still partial because not all the necessary conditions for intensifying agricultural production and solving the problem of the agricultural industry's grave position have been created. The liberalization of prices will only slightly work toward a better situation in the primary distribution. The lack of harmony in the price of raw and production materials and final products is a special problem.

The fact is that agriculture's better position, its efficiency, structural changes, and stability can only be achieved through the measures of the agricultural policy as a whole. At present, this in particular refers to protection prices, the reserves policy, the import policy, and the credit policy. Only the measures as a whole can open up the way for a gradual change of the situation in the field of agricultural production. The problems of debts and illiquidity in agriculture in particular are becoming more acute. This applies to the structure of working capital, the turnover coefficient, and the organic composition of capital, which in turn cause high interest rates that are causing enormous difficulties in current agricultural production. There are no funds for investments, nor is there readiness to risk the capital, which in turns adversely affects the volume of agricultural production.

The other problem is the inappropriate coordination of imports and exports of agricultural products and foodstuffs. This is why the achieved results are completely different from those expected. This causes dissatisfaction among the producers, especially among the primary producers, because the processing industry very often solves its problems at the expense of consumers and primary producers.

A more rapid development of agriculture is important for our total stabilization. Obviously, without significant changes that would be of a reform nature, the desired and possible results will not be achieved. Under the conditions of high inflation and a high cost of living, the stabilization of the prices of agricultural products is becoming an increasingly important economic and political question. This is why we need suitable activities and measures that would be considered priority tasks: The first is to introduce as soon as possible the measures of the agricultural policy on the basis of the tenets adopted at the Eighth LCY Central Committee Plenum, which means that the position of agriculture in the primary and secondary distribution should be changed and conditions for business activities on an equal footing introduced. The other task is to introduce within the global social and economic reform more profound changes, taking into account the specific conditions for the development of agriculture as a branch of the economy, and in introducing measures economic policy, free it from its character of being a supplier.

[The following passage appears boxed within the body of the item]

The Burden of Being Supplier [subhead]

Our agriculture has not succeeded in ridding itself from the burden of being the "supplier" for chiefly the local and regional markets. And, almost any import of food is branded as "high treason" because we can, after all, produce everything ourselves. What sort of food and at what price?—this is usually not asked. If there is any area in which we can and should rely on our own forces, it is in the production of food. The domestic production should be effectively protected from the highly dumping agricultural production of developed countries. However, the general principles about an open world market should also apply to the agroindustrial complex. I agree that the priority task is to increase the export of foodstuffs, Korosec said.

Maribor Strikes Continue for 3d Day

Traffic Disrupted

LD2306203388 Belgrade TANJUG Domestic Service in Serbo-Croatian 1617 GMT 23 Jun 88

[Text] Maribor, 23 Jun (TANJUG)—The 3d day of the strike of the Maribor car factory workers, in which about 1,500 workers from this collective, about 3,000 workers from the Elektrokovina and MTT works, as well as small groups from Metalna and Primata are taking part today, assumed a different character today. At about midday, a small group of strikers tried to break into the premises of the Maribor City Assembly and the front door glass was smashed.

A group then separated from those gathered at the Liberty Square in the center of the town and about 1,000 people set off for the industrial zone of Melje, inviting those present to join them. Failing to do that, they blocked the traffic at the Maribor railway station some time after 1400. This was done by part of the procession, while the remaining strikers went in the direction of the Meljska and Partizanska Streets crossroad in Maribor where they completely blocked traffic. Railway workers were forced to stop the trains.

According to the latest information, the railway and road transport were still blocked in the city at about 1630.

Strikes Start To 'Calm Down'

AU2406083688 Belgrade Domestic Service in Serbo-Croatian 0800 GMT 24 Jun 88

[Text] The strikes in several Maribor collectives, in which several thousands workers took part, started to calm down this morning. Almost all workers returned to work, so that production resumed in TAM, Elektrokovina, and the textile mill. Only about 100 workers from these three organizations rallied at the Freedom Square this morning and went to the textile mill where they made an unsuccessful attempt to call on the workers of that collective to resume the strike.

Ljubljana LC Assesses 21 Jun Rally

LD2306145888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1045 GMT 23 Jun 88

[Excerpt] Ljubljana, 23 Jun (TANJUG)—A gathering at the Ljubljana Freedom Square took place in an atmosphere of tolerance and patience and at a civilized and dignified level. However, a shadow was thrown on this event by a breach of the peace in front of the barracks in Metelkova Street late in the evening. This is how the Presidium of the Ljubljana Communists assessed the gathering that was organized on Tuesday evening by the Slovene Youth Organization and the Committee for the Protection of Human Rights in solidarity with the arrested Jansa, Tasic, and Borstner. [passage omitted]

Slovene LCY on Constitution Changes

LD2006173488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1442 GMT 20 Jun 88

[Text] Ljubljana, 20 Jun (TANJUG)—The Slovene LC Central Committee Presidium today gave its support to the Slovene Assembly's view of the draft amendments to the SFRY Constitution "because it reflects the mood both within the LC and among the wider public." It was stressed that there was an overwhelming awareness in Slovenia of the need for constitutional changes, in particular in those areas of crucial importance for implementing economic and other reforms.

Slovenia therefore advocated that certain amendments should be decided upon whether individually or within their thematic entities and not as a whole. This would prevent the situation where individual controversial amendments would become an obstacle to the adoption of other, more pressing, constitutional changes over which there is general unanimity in the country.

The Presidium is of the view that the communists are faced with the great responsibility of having to sum up the public debate, opinions, and proposals voiced at the Yugoslav level. At this stage of the constitutional changes the Assembly has a detailed list of those amendments and issues which caused most disagreement and produced most new proposals during the public debate. This, in any case, is how other republics and provinces organized the work.

During the public and well-argued debate, the LC in Slovenia reacted to all unacceptable tendencies and proposals made by individual societies and people.

Milan Kucan, president of the Slovene LC Central Committee Presidium, said that all the activities of the LC up to now and in the future ought to be evaluated from the point of view of orientations and criteria which were adopted by the LCY Central Committee on the occasion of the constitutional debate. Especially "in some places the differences between communists are very big, the same as between communists and noncommunists." This relates in particular to the competence to evaluate what conceptually strengthens and what changes the character of our federation, intranational relations, self-management, and the State, etc. In fact, this ought to determine both the relation and the strength of the stances towards individual draft changes. There should be differentiation between those principled stances and disagreements with the constitutional amendments, where (e.g. in the field of education) there cannot be agreement in any form with the draft changes, as this would mean acceding to a completely different concept of relations in the Federation, and those where alternatives and different solutions can be sought.

Much patience and preparation will be needed, Kucan believes, for everything to be discussed and listened to in a well-argued way, and this means that detailed acquaintance with all the relevant thinking, proposals, and disagreements with the individual draft constitutional solutions from throughout Yugoslavia should be ensured in Slovenia (and the same thing applies in other environemnts as well.) In this connection tension should not be created among the public or "the principled right sought for oneself, while such a right is denied others," Miran Potrc stressed. In the views on the changes to the SFRY Constitution in individual republics and provinces there are still great differences. "Clearly articulated stances and differences nevertheless facilitate harmonization and here communists have great responsibility for a synthesis at the Yugoslav level," Peter Bekes believes.

The Slovene LC Central Committee Presidium supported the conclusion of the Republican Assembly to make a definitive decision on the need for and possible organization of a constitutional referendum in Slovenia after the prepared draft changes to the SFRY Constitution.

Slovene SAWP Official on Intolerance

LD2106195488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1556 GMT 21 Jun 88

[Text] Ljubljana, 21 Jun (TANJUG)—Joze Smole, president of the Slovene SAWP republican conference, today sharply denounced "improper and uncivilized" attempts at creating an anti-Army mood or any form of intolerance of members of other nations and nationalities living in Slovenia. Although these were isolated incidents, they nevertheless call for the sharpest denuncation and should be nipped in the bud. At the same time, Smole warned of the danger of making facile statements about an alleged counterrevolution in Slovenia. In this context, Smole cautioned that the dispute here is about differences in opinions about events in Slovenia, about the processes of democratization, and about some examples of excessive behavior such as publishing offensive articles against the Army. We have reacted to and denounced these but they can in no way be described as counterrevolutionary, Smole said. He stated that people in Slovenia could not therefore accept a statement made some time ago by Branko Mamula at a meeting of the Military Council, to the effect that some of the developments in the republic serve the purpose of special warfare and that in some aspects they are counterrevolutionary. Smole went on to say that all over Yugoslavia there are examples of excessive behavior, anticommunism, and intranational intolerance but that they were not branded as counterrevolutionary. Smole rejected speculation that something is wrong with Slovenia's attitude toward the YPA [Yugoslav People's Army] and the concept of all-people's defense as this is, as he put it, being negated by good results in that sphere and the everyday practice of good relations between citizens and the YPA. These facts cannot be changed by a few unacceptable articles or excesses of minor importance. Smole spoke in favor of continuing the process of socialization within the system of all-people's defense and the YPA and of the need for even more organized cooperation with the YPA. The Presidium believes that, in any case, some of the issues have been unnecessarily exacerbated and complicated. Joint efforts are needed to overcome them.

In Vekoslav Grmic's view, the problem which arose from the recent arrest of three citizens was blown out of proportion and he wanted to know who is to blame. Whenever faced with serious social issues affecting all of us, we manage to find something else to endlessly quarrel about while the crisis continues to deepen. With such behavior we are undermining not only the Army but all of us, Grmic said.

During the discussion of "other issues" on the agenda, Joze Smole briefed the Presidium of the Slovene Socialist Alliance on the implementation of the conclusions of the Executive Committee and the Presidium [of Slovene SAWP] regarding the arrests of Borstner, Jansa, and Tasic. Smole noted with satisfaction that the report submitted to the SFRY Assembly by Stane Brovet, the undersecretary for national defense, on the nature of the military document had explained in a competent way the reasons for arresting the three men. This has helped to eliminate various arbitrary interpretations, insinuations, and speculation connected with the case. In this way, he said, we have stopped people from fishing in troubled waters while at the same time it has prompted a response to one of the demands from the SAWP's stands calling for the case proceedings to be speeded up and the law to be observed. The Presidium of the Slovene SAWP was today informed about the course of debates on the changes in the SFRY and the republic's Constitution. A report on the work of attorneys was also considered today.

Draft Constitutional Changes Adopted

AU2006072888 Belgrade POLITIKA in Serbo-Croatian 11 Jun 88 p 1

[Z.S. and I.A. report: "Draft Amendments to the Constitution of the SR of Serbia Adopted"]

[Text] The draft amendments to the Constitution of the SR of Serbia have been worked on for almost 5 months, since 11 January, when the Assembly of the SR of Serbia decided to proceed with the changes to the republic's Constitution. But, some essential differences that are of significant interest for the realization of Serbia's constitutional position still exist. Yesterday, at the session of the Constitutional Commission of the Serbian Assembly, it was said that the representatives of the provinces have formulated alternative solutions on matters concerning all-people's defense, state and public security, criminal-legal protection of the rights and freedoms of the working people and citizens, the duties of the Supreme Court of Serbia, the duties of the Presidencies in the SR of Serbia, and other fields.

The work on the text of the draft constitutional amendments had continued until the last minute, and it was in the last few days that the differences on a number of important issues—such as carrying out laws that apply to the whole territory of the republic, the adoption and content of the social and local [prostoran] plans of the SR of Serbia, the international cooperation of the SR of Serbia, and a more precise formulation of certain legal standards in Article 300 of the Constitution of the SR of Serbia—were overcome or reduced to a minimum.

After a 3 and 1/2 hour long discussion, the Constitutional Commission decided to propose to the Assembly of the SR of Serbia to adopt a decision which would endorse the draft amendments contained in the text which the Commission for Constitutional Questions proposed, which is to say the text with the basic solutions. The alternatives in the draft amendments do not represent a part of the adopted text, but only the acknowledgement that, as far as certain questions are concerned, the members of the commission from the socialist autonomous provinces suggested solutions different to those in the text, and that they should be borne in mind during a public discussion which will last until 31 October.

Opening the session, which began with a 1-hour delay so that the members of the Constitutional Commission could familiarize themselves with the latest material, Dr Borisav Jovic, president of the Constitutional Commission, said that, considering the constitutional position of the socialist autonomous provinces, the work during this crucial stage of changes in the Constitution of the SR of Serbia has been carried out in the coordination body and other bodies set for this purpose in close cooperation with the representatives of the provincial organs, from the beginning.

Differences in the views on some constitutional provisions that refer to the constitutional position of the SR of Serbia and the socialist autonomous provinces have been significant from the beginning and come to a fore during the process of reaching an accord on the decision to proceed with changes to the Constitution of the SR of Serbia. But, the work in the coordination body and other working bodies has been conducted in an atmosphere of tolerance in which everybody was fully aware of the importance of the political situation in which changes to the Constitution are conducted with the responsibility which this situation assumes and demands. In this way during the work a solution was found to a number of issues that were originally in dispute. But there are still a number of other contentious issues in the areas that are very important for the functioning of the SR of Serbia as a state and a socialist self-managing sociopolitical community, that have not been agreed on to the present day, despite the invested efforts.

It is up to all of us, Jovic said at the end, to make further efforts to remove these differences or to reduce them as much as possible so that they are completely clear to all participants in a public discussion who are expected to discuss all these aspects.

Commenting on a large number of alternatives to the main solutions, Miodrag Bogdanovic, president of the coordination body of the Constitutional Commission, said that one of the basic characteristics of the proposed alternatives is their too restrictive approach in interpreting the decision to proceed with changes to the Constitution of the SR of Serbia. These solutions mainly boil down to giving the Republic the authority to arrange the principles, methods, and so forth, instead of, in accordance with what has been decided, clearly concretizing and dimensionizing the republic's functions. Some alternatives even strive to preserve the existing situation despite the fact that it is clear that in this way differences and disputes in interpreting the provisions of the constitution and the law would continue. In some areas the alternatives offer solutions that are inferior to those existing. This in particular applies to some questions of the all-people's defense, state security, criminal law, and the republic's social plan.

'Arafat Continues Visit, Meets Dizdarevic

Luncheon Toasts Made

LD2306163188 Belgrade TANJUG Domestic Service in Serbo-Croatian 1145 GMT 23 Jun 88

[Text] Belgrade, 23 Jun (TANJUG)—"Our support will always meet the just demands of the Arab people of Palestine, the efforts of the fighters, the PLO, the leadership, and yourself, in order to persevere in the struggle for the most basic rights—self-determination, the right to live in freedom on your own territory, and in your own independent state," Raif Dizdarevic, president of the SFRY Presidency, stressed in his toast at a luncheon he hosted in honor of PLO leader Yasir 'Arafat.

Dizdarevic said that the SFRY is constantly involved in the efforts to resolve the long-term conflict in the Near East and that "if the international community wants a just and lasting solution, it should proceed primarily from the Palestinian problem." The president of the SFRY Presidency stressed that "we have always been against aggression and expansion at the expense of others, against any interference and impositions which exacerbate the sufferings of your people and bring about instability in the entire Near East Region."

Raif Dizdarevic expressed his highest appreciation at the PLO'S unrelenting efforts and readiness to consider any new idea for resolving the problems of the Near East. He added that Yugoslavia also supports any initiative aimed at achieving stable and lasting peace in the region, provided of course that the rights of Palestinians are not neglected. This stance, in no ambiguous terms, received support at the recent Arab League meeting.

"The strong support specified at the Arab summit, the support for the 'intifada'—that unique popular uprising which has given a new, very important dimension to Palestinian resistance—reflect the evident success of your organization." Dizdarevic added that the sufferings of the Palestinian people and "the newly shed blood on the occupied West Bank and Gaza seriously warn the world public that this is one of the most dangerous hotbeds of crisis and that any delay in resolving it is no longer possible." "It is obvious that there is no more realistic way of resolving it than through an international conference under the UN auspices and with the participation of all interested parties, including the PLO, as the sole legitimate representative of all Palestinians," the President of the SFRY Presidency stressed.

Speaking about the chances for such a conference, Raif Dizdarevic pointed out that relations throughout the world have evolved and that there are signs of increased readiness to cooperate. The possibilities are greater for "starting to reap the fruits of the efforts which, in the course of the long period of the cold war and all ensuing confrontations and isolationism, the international community and the Non-Aligned Movement above all invested."

Dizdarevic described the accord by the two superpowers on eliminating some of the nuclear weapons as an important step. However, he noted that general prospects would only improve "if the entire international community, with all its legitimate interests, needs, and hopes, secures stable conditions and continuity for the policy of detente."

"This means the involvement of all countries in the efforts to resolve the most serious problems of the present-day world, primarily the hotbeds of crisis such as the Near East," he said.

Dizdarevic concluded his toast by saying that the Non-Aligned Movement is faced with continued challenges and that its activity should be updated and enhanced in the interest of "establishing new, democratic (?order) in international relations on the basis of justice and common sense, of freedom and dignity for all, of peace, security, and development of the whole world."

Replying to the toast by Raif Dizdarevic, Yasir 'Arafat, chairman of the PLO Executive Committee, said that the general uprising of the Palestinian people is escalating "under the leadership of the PLO and is shaking the foundations and illusions of Israeli policy." He added that the rebellion in the occupied territories confirms the "incorrecteness and futility of the Israeli expansionist policy which leads to the construction of Jewish settlements for the so-called safe borders, while negating the rights of the Palestinian people, in particular the right to self-determination, the establishment of their own independent state on national soil, and their efforts to bypass the PLO as the sole legitimate representative of the Palestinian people."

'Arafat stressed that it is necessary without delay to achieve peace "on the basis of justice" and that this is impossible without recognizing the national rights of our people.

The PLO leader stressed that at the extraordinary Arab summit in Algiers various misunderstandings were overcome. A readiness was shown to take part more efficiently in searching for a peaceful solution in the Middle East through convening an international conference under the UN auspices. All permanent members of the Security Council would take part, as well as all the interested parties in the conflict in the Middle East, and including the PLO as the only legitimate representative.

Yasir 'Arafat pointed out in particular a prominent role which the SFRY plays within the Non-Aligned Movement in the United Nations. "In its international contacts and relations, the SFRY is always working toward preparing conditions and international factors for solving the problem of our people and the Middle East crisis," he said. He added that in this way Yugoslavia affirms itself as a traditional friend of the Palestinian revolution and its people.

The PLO leader expressed the conviction that the SFRY, "unhesitatingly loyal to its principles, will continue to make efforts within the Non-Aligned Movement, relying on the huge prestige which it enjoys in this movement, which represents a moral, political, and legitimate barrier in front of all dishonorable attempts to ignore the rights of our people."

Talks Held

LD2306193688 Belgrade TANJUG Domestic Service in Serbo-Croatian 1421 GMT 23 Jun 88

[Text] Belgrade, 23 Jun (TANJUG)—The uprising of the Palestinian people in the occupied territories has the support of all Palestinians and also has a strong effect in Israel. In some circles, the awareness is growing that the present situation in this part of the world is untenable and that a solution must be sought in asserting the legitimate rights of the Palestinian people.

This was pointed out today during talks between Raif Dizdarevic, president of the SFRY Presidency, and Yasir 'Arafat, chairman of the PLO Executive Committee, who is on a working friendly visit to Yugoslavia.

Yasir 'Arafat, the guest of the SFRY Presidency, briefed his host in detail on current developments in the Middle East. This long-lasting crisis and possibilities for it to be peacefully resolved in a just and permanent way, the decisions of the recent extraordinary Arab summit in Algiers, and the development of Yugoslav-Palestinian friendly relations were the central themes of exhaustive talks between Dizdarevic and 'Arafat.

Circles of the Yugoslav federation stress that Dizdarevic particularly stressed that Yugoslavia is monitoring with special interest everything which is happening in the occupied Arab territories. Yugoslavia expresses its full support for the resolute struggle and actions which the Palestinian people have carried out on the way toward realizing their legitimate rights.

The Palestinian rebellion, 'Arafat said, is consistently increasing, even though it has been going on for 7 months now. The national uprising has surprised all those in Israel and outside this country who believed that the occupation of the Arab territories was a fait accompli and that the Palestinian people could be deprived of their homeland. It was stated that the basic aim of the all-Palestinian uprising is the end of the Israeli occupation, the realization of the rights of the Palestinian people to self-determination, and the founding of an independent Palestinian state under the leadership of the PLO.

Dizdarevic and 'Arafat stated that the Palestinian rebellion also has widespread support outside the Middle East which indicates the importance of its broad international dimension.

Both sides noted that resolving this hotbed of crisis would be best carried out through holding an international conference under the aegis of the United Nations and with the participation of all interested parties, including the PLO as the sole legitimate representative of the Palestinian people.

They also said that conditions for convening this meeting have considerably improved recently. The idea has been accepted by numerous important factors in international relations and this should be taken advantage of in future actions. Within this framework, Raif Dizdarevic and Yasir 'Arafat stressed that it is essential for the nonaligned to become even more active in the Committee of Nine Nonaligned Countries for Palestine and further afield and to initiate fresh specific actions in the interest of resolving the Middle East crisis.

Raif Dizdarevic spoke about current favorable trends in world relations and an orientation toward dialogue and agreement which inspires hope and more optimism for the Middle East. An important contribution to such trends is the seeking of agreement between the superpowers. However, what remains the key factor for the Palestinian issue is the effort of the Palestinian people on the occupied territories and the increasing pressure of the international public opinion aimed at resolving the dangerous Middle East crisis.

'Arafat also briefed his host on the decisions of the Algerian summit which fully supported the Palestinian struggle. The Algiers summit promised full support for actions to realize the legitimate rights of the Palestinian people. In 'Arafat's view, the decisions of the summit are of far-reaching importance for resolving the Palestinian issue and thus for peace in the Middle East.

Both sides pleaded in favor of a peaceful end to other conflicts and problems in international relations.

Yugoslav-Palestinian relations were assessed as very good and a desire was expressed for the promotion and expansion of mutual cooperation.

The talks between Dizdarevic and 'Arafat, which will continue tomorrow, were attended by Budimir Loncar, federal secretary for foreign affairs, and other Yugoslav officials, and on the Palestinian side by Muhammad Milhim and Sulayman Najjab, members of the PLO Executive Committee; Bassam Bau Sharif and Tayyib 'Abd al-Rahim, 'Arafat's counsellors for information and questions on the occupied territories; and Akram Haniyah, head of the PLO office in Yugoslavia.

Mideast Conference Urged

LD2406112988 Belgrade TANJUG Domestic Service in Serbo-Croatian 1040 GMT 24 Jun 88

[Text] Belgrade, 24 Jun (TANJUG)—The talks held today in Belgrade between Bosko Krunic, president of the LCY Central Committee Presidium, and Yasir 'Arafat, chairman of the PLO Executive Committee, focused on the contribution which progressive parties and movements can make to the peace process in the Middle East.

Based on the assessments made at their meeting in September last year, the collocutors established that there is a strong and positive evolution of opinion favoring the holding of an international conference on the Middle East. The parties of the left in Europe and the Mediterranean particularly insist on this. A common point of their involvement is also support for the inalienable rights of the Palestinian people and a condemnation of the terror which Israel is perpetrating against the Palestinian population in the occupied territories. Stressing the significance of such involvement, Krunic and 'Arafat expressed the hope that this voice of world progressive forces will also find its echo among peace-loving forces in Israel itself.

Trade Talks Held With CSSR Minister

LD1706150388 Belgrade TANJUG Domestic Service in Serbo-Croatian 1223 GMT 17 Jun 88

[Text] Belgrade, 17 Jun (TANJUG)—Nenad Krekic, member of the Federal Executive Council and federal secretary for economic relations with foreign countries, and Jan Sterba, Czechoslovak minister of foreign trade, today held talks on some questions of economic cooperation between the two countries. Krekic and Sterba agreed that the existing foreign trade between our country and the CSSR does not correspond to the degree of socioeconomic development of the two countries or to the structures of their economies, and that it is necessary to undertake measures for changing the structure and trade.

Commentary Views Romania's Minorities

AU2006160188 Belgrade BORBA in Serbo-Croatian 16 Jun 88 p 8

[Zoran Mandzuka commentary: "Out of Socialism Into Socialism"]

[Text] Socialism urgently needs reforms—this can be heard over a wide area, from China to Yugoslavia. With this, the democratization of political relations is considered an essential prerequisite for the changes. However, many people are facing a new challenge, the nationalities question, although, as one commentator wrote recently, not always in the same way and not totally unexpectedly, even though this question is equally challenging everywhere.

Regardless of the fact—and this has been heard—that this problem is not an exclusive privilege of the socialist world, it should not be forgotten how renewed interest in this has come, in socialist countries, as an almost predictable consequence of long decades of normative idealism concerning this precise question of nationalities.

Some people do not reject what others call old. So that in Bucharest, for example, officials strenuously claim that "we have once and for all solved the nationalities problem on the basis of Marxism and Leninism and on the principles of scientific socialism, securing full equality for all citizens of the country...."

However, one concern arises at this point: It stems from the fact that a large number of the 10.9 percent of the 23 million population of Romania does not agree with this claim. This is the part which contains the different nationalities in the country, primarily Hungarians.

Recently, frequent official messages have come from Budapest to the effect that nationalism can appear in every country, both capitalist and socialist. It is added that this can always be rectified, but it is a great shame if nationalism is raised to the level of official policy.

What Are Human Rights [subhead]

This was Hungarian politicians' answer to the decision of the Romanian authorities to begin renovating settlements in that part of the country where Romanians of Hungarian descent live. In practical terms, settlements are bulldozed and reconstructed according to a new plan, which 1.7 million Hungarians—which is how many live in Romania according to estimates—consider as a blatant attempt at assimilation.

Budapest has even gone a step further in its condemnation of this and similar actions by its neighbor, a socialist country and ally in the same military political grouping. They say: "The wiping away of signs of physical presence, including architectural and ethnic signs, the destruction of old graveyards, churches, and historical monuments, the rejection of the use of names of towns in the languages of the minority, and plans for the liquidation of certain places...all this represents a violation of human rights and basic freedoms."

The Hungarian representative officially conveyed this at the Vienna meeting of the CSCE.

The Romanians reacted with a sentence from Nicolae Ceausescu: "We did not ask anybody to praise us or to imitate us but we will not allow anyone to give us advice." The general secretary immediately afterwards added that those who wanted to leave Romania and particularly those who are already leaving are "the black sheep in the flock."

How many Romanians are leaving the country, going from one socialism into another, from Romania to Hungary?

How To Stay [subhead]

According to some data, 8 years ago, 830 people asked the Hungarian authorities for a permanent residence permit; last year there were 10 times that number and almost all of them came from that part of Romania which once belonged to the Hungarian kingdom. According to reports from the TANJUG correspondent, half of those who requested a permit nevertheless returned to their former place of residence for various reasons—but temporarily. It is claimed that 4,000 Romanian Hungarians now live in Hungary. A considerably greater number are those who come to Hungary as tourists and think about staying in Hungary. In 1987, 900,000 visitors crossed the Hungarian border from Romania but up to the end of March this year 130,000 did the same.

The majority want to stay in Hungary. Some speak of the aforementioned assimilation, illustrating this with the fact that names of towns are changed, schools are closed, and they are deprived of all basic rights. (As far as towns are concerned, Nagyvarad has now become Oradea and Nagybanya has become Baia Mare). Those in Budapest remind us of the fact that for the first time the Hungarian ambassador to Romania has not been allowed to give his special speech on radio and television on the anniversary of the liberation of Hungary. They say: "This has closed yet another line of communication between the two countries."

Others simply see their reasons for leaving Romania in their standard of living up to now. In short, some will say, in bread. However, this is also the cause of some of the worries of the Hungarian authorities themselves—ought they to accept all those who immigrate to Hungary and ought they to guarantee them work in a country in which, all things considered, there are already too many employees. Should this society except those people who do not have much in common with today's Hungary except their origins....

Nevertheless, a decision by the Hungarian parliament recently allocated about 300 million forints ($6.3 million) for aid to those who are most threatened. Budapest continues to reiterate how it considers that people should seek happiness at their own hearth, however—and this is being more loudly heard—because of political, moral, and other reasons "we must help all those who turn to us."

A Break of 11 Years [subhead]

It is perhaps worth recalling here that the Hungarian minority in Romania is not the only one whose settlements are being "reconstructed"—there are also Saxons, Germans, Serbs, Croats, Bulgarians, Turks, Tartars, Slovaks....

After all this, it is quite logical for the question to arise—Why are citizens escaping from one socialist country into another which is the first time this has happened to such an extent in the system of relations which prevails in Eastern Europe? It is easy to guess the answer just as it has been easy until now to recognize that in the cooperation between two neighboring socialist countries there is no real dialogue on this question of minorities.

Will something change soon after the slightly unexpected announcement that the new Hungarian party leader will visit Bucharest? The answer is extremely uncertain. The only known thing is the fact that this will be the first Romanian-Hungarian summit for a full 11 years. It is also known that the Romanians are verbally persisting with their attempts at not changing much in their political system, while the Hungarians are striving for both political and economic changes.

Judging by the present slightly raised voices when it comes to the question of majorities, it is difficult, at least today, to believe that this question will be solved in the talks between Grosz and Ceausescu.

Briefs

Agreement With CEMA Bank

Budimir Kostic, president of the Investbank of Belgrade and Fric Teper [spelling of name as published], vice president of the International Investment Bank (CEMA), yesterday signed a cooperation agreement which envisages new forms of credit support for investment projects, cooperation in production, and the setting up of joint enterprises. [Summary] [*AU1906144688 Belgrade POLITIKA in Serbo-Croatian 10 Jun 88 p 1*]